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

Proceeding	92052146
Party	Plaintiff Corporacion Habanos, S.A. and Empresa Cubana del Tabaco, d.b.a. Cubatabaco
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
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CORPORACION HABANOS, S.A., and EMPRESA)	
CUBANA DEL TABACO, d.b.a. CUBATABACO,)	
)	
Petitioners,)	
)	
v.)	Cancellation No. 92052146
)	Mark: PINAR DEL RIO
RODRIGUEZ, JUAN E.,)	
)	
Respondent.)	
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**REPLY BRIEF IN SUPPORT OF MOTION TO COMPEL DISCOVERY AND
FOR SANCTIONS, AND IN OPPOSITION TO RESPONDENT’S
MOTION TO SUSPEND PROCEEDINGS**

Corporacion Habanos, S.A. and Empresa Cubana Del Tabaco, d.b.a. Cubatabaco (“Petitioners”) hereby submit this Reply Brief in further support of their Motion to Compel Discovery and for Sanctions (“Motion” or “MTC”), dated April 5, 2012, and in opposition to the motion of Respondent Juan E. Rodriguez (“Respondent”), to suspend proceedings pending the outcome of an unrelated Board proceeding concerning an unrelated mark, *Corporacion Habanos, S.A. v. Guantanamera Cigar Co.*, Opp. No. 91152248 (GUANTANAMERA).

I. The Board Should Compel Respondent to Produce Responsive Documents, to Provide Complete Interrogatory Responses, and to Certify that He has Done So

Respondent’s opposition to the Motion to Compel (“Opp.”) does not contain one word of explanation for his continuing failure and refusal to produce responsive documents or information (now, four months after they were served on January 31, 2012); his refusal to respond to any of Petitioners’ efforts to resolve the discovery disputes; or his refusal for almost two months to respond to Petitioners’ proposed Protective Order, proffered in response to Respondent’s claim that he would only produce certain documents with a protective order. *See*

MTC at 3-5; Declaration of David B. Goldstein dated April 5, 2012 (“Decl.”) ¶¶ 3-12, and Exs. A-F thereto (the discovery requests and responses are Exs. A-D). Respondent does not argue that he has complied with his discovery obligations; he makes no claim that he: 1) has conducted a proper, complete and thorough search of records for responsive documents and things in Respondent’s possession, custody or control; 2) has produced all the requested documents or provided the requested information; 3) does not have any additional documents or information (plainly he does, as he all but admits, Opp. at 4); or 4) is not obligated to produce and provide such documents and information. Respondent’s counsel provides no explanation, defense or justification for his pattern of obstructionist discovery conduct, exemplified here. MTC at 5-7.

Respondent baldly misleads the Board when he states, “Petitioners’ motion erroneously claims that Respondent has not produced any documents.” Opp. at 4. In fact, Respondent’s counsel admits that he did not produce *any* documents until April 9 and 10, 2012, *after* the Motion to Compel was filed on April 5, 2012. The documents consist of a mere 8 pages – 6 photographs of cigars, cigar boxes, and labels; 1 advertisement; and a 1-page invoice. These eight pages are obviously not a complete production, and Respondent does not claim otherwise.

Respondent also does not dispute that he has waived any objections to Petitioners’ discovery requests (other than the very limited objections noted by Petitioners, MTC at 3), *see* MTC at 7-8, and cases cited therein. Thus, any purported objections raised in the opposition are waived. Respondent also represented that, as of March 6, Abraham Flores had *already* collected or provided to Respondent the documents and things responsive to the document requests, and that “Mr. Flores has ultimate responsibility for all things related to the PINAR DEL RIO brand.” Decl. Ex. D, at 1. Therefore, there is no excuse for Respondent’s continued failure to produce

responsive documents and things, and to provide responsive information.¹

Respondent should be ordered to produce the documents and information responsive to these requests and interrogatories forthwith; Respondent's counsel should be ordered to provide the certification requested in the Motion to Compel, at 8; and the Board should weigh an appropriate sanction for Respondent's obstructionist conduct, MTC at 5-7.² As to the specific discovery requests at issue, Petitioners further state as follows:

Request Nos. 2-7, 18-21, 27, 29-34: In Response to each of these Requests, Respondent stated, without objection, that documents responsive to these requests "will be produced," thus admitting that responsive documents exist. MTC at 8. Respondent makes no claim that he has produced all responsive documents (the 8 pages belatedly produced are clearly incomplete), and no claim that he erred in stating that documents responsive to each of these requests exist. Furthermore, Respondent has not produced *any* documents responsive to Request Nos. 2-6, 18, 20-21, and 29-34.

Request No. 22; Interrogatory 16: Without any explanation for his nearly two-month delay, Respondent finally stated that he has no objection to the Protective Order exactly as proffered by Petitioners on March 12. Opp. at 4. Respondent's claim that this delay "has no bearing on whether Petitioners are entitled to confidential and non-relevant information" because, in Respondent's view, "sales of its products have nothing to do with whether Petitioners' can prevail on their claims," *id.*, makes no sense. Not only is any relevance

¹ The assertion that Respondent is recovering from a serious medical emergency on or after April 17, *see* D.E. 25, at 1 (Respondent's representation on April 23, 2012 that the medical emergency occurred "nearly a week ago"), is irrelevant to the failure to comply with discovery obligations given both Mr. Flores' prior actions in collecting documents and his "ultimate responsibility" and because Respondent's health issue occurred well over a month *after* the March 6, 2012 discovery response deadline and almost two weeks *after* Petitioners filed their Motion to Compel.

² As stated, MTC at 8 n.7, Petitioners will seek to preclude Respondent from introducing or otherwise relying on responsive documents or information not provided in response to their discovery requests.

objection waived, but Request No. 22 and Interrogatory 16 – the only discovery requests to which Respondent objected on confidentiality grounds – do not seek information about Respondent’s “sales of its products.” Rather, they seek documents and other information concerning the blend used in Respondent’s cigars bearing the PINAR DEL RIO mark, including the percentage of tobacco claimed to be grown from “tobacco seeds...from Pinar del Rio Cuba,” the place of manufacture, and the source of the tobacco, all of which are plainly relevant to Petitioners’ claims that the PINAR DEL RIO mark is geographically deceptive under § 2(e)(3), and that Respondent made material misrepresentations to the PTO. Petition ¶¶ 50-64 (D.E. 1).

Request No. 26: Respondent provides *no* response concerning Request No. 26. As previously explained, Respondent’s stated objection to this Request on the ground that it “assumes facts not in evidence” is baseless and highly disingenuous, at best. MTC at 9.

Interrogatories 3-4, 6-14: Respondent does not even address his failure to provide the information responsive to these Interrogatories.

II. Respondent Should be Sanctioned for Violating Fed. R. Civ. P. 26(g) in its Responses to Interrogatories 20-22

As explained in the Motion, in response to Interrogatories 20-22, which sought the identities of persons with knowledge concerning Respondent’s affirmative defenses, Respondent appears to have listed *every* individual or entity against whom Petitioners have ever initiated a Board proceeding or even requested an extension of time to file an opposition (34 persons in all). MTC at 11-12. Respondent now concedes– as Petitioners contended based on communications with attorneys for several of the identified persons – that he made no effort whatsoever to determine if any of these third parties in fact had any information relevant to Respondent’s affirmative defenses. *See* Opp. at 5; MTC at 12-13; Decl. ¶ 13, Ex. G. Thus, Respondent has confirmed that it failed to make *any* inquiry, let alone a reasonable one, before responding to

Interrogatories 20-22, a clear violation of Fed. R. Civ. P. 26(g)'s requirement that a party's Interrogatory responses shall be made only "after a reasonable inquiry." MTC at 11-13.

Identifying 34 potential non-party witnesses without any inquiry into whether they have relevant knowledge, and who in fact have no such knowledge, is not a harmless discovery rule violation, but an abusive, costly one. It not only improperly shifts onto the requesting party the expense and burden of obtaining discoverable information that is in the possession of the requested party, but it also improperly leads to the imposition of unnecessary and improper burdens upon third parties who have no knowledge or connection to the proceeding and who should not have been identified in discovery responses that complied with Rule 26(g).

Respondent entirely misses the point by focusing on the merits of his affirmative defenses (although not germane here, they are in fact meritless; indeed, the Board has already rejected a motion to dismiss for lack of standing). Petitioners do *not* argue in their Motion to Compel that Respondent failed to meet its "professional obligations before putting forth [its] Affirmative Defenses," and have not "tr[ied] to call into question [Respondent's] Affirmative Defenses". Opp. at 5. Rather, Petitioners contend that Respondent violated the requirement that a party's *interrogatory responses* shall be made only "after a reasonable inquiry," MTC at 11-14. Respondent is simply wrong that Petitioners must move to strike the affirmative defenses in order to seek sanctions for a blatant Rule 26(g) discovery violation or to compel a response consistent with Rule 26(g)'s "reasonable inquiry" requirement.

Both Rule 26(g) and TBMP § 408.01(c) *require* the imposition of an appropriate sanction for the failure to make the requisite "reasonable inquiry." MTC at 13-14. Accordingly, the Board should impose one of the limited sanctions proposed in Petitioners' Motion, *id.*, or, if not sanctioned, order Respondent to amend his Interrogatory Responses consistent with Rule 26(g),

including providing the written certification requested in the Motion, *id.*

III. The Board Should Deny Respondent's Request to Suspend This Proceeding

Respondent's request that the Board suspend this proceeding in favor of an unrelated Board proceeding – *Corporacion Habanos, S.A. v. Guantanamera Cigar Co.*, Opp. No. 91152248³ – involving an unrelated mark (GUANTANAMERA), with no identification of a potentially dispositive issue, and with no explanation how the unrelated proceeding may bear on the proceeding here (other than that both proceedings involve § 2(e)(3)), should be denied. In every case Petitioners have located in which the Board suspended proceedings in favor of another proceeding, the two proceedings involved determination of rights in the *same mark*, and a ruling in one case was potentially dispositive of *rights in that same mark* in the second proceeding. No case so much as suggests suspending proceedings where *one* party is involved in two unrelated proceedings concerning *unrelated* marks merely because both proceedings involve a general legal claim that the two unrelated marks cannot be registered under the same provision of the Lanham Act, here § 2(e)(3), particularly where there has been no showing whatsoever how the resolution of one case may resolve the issues in the second case. TBMP § 510.02(a); *see also* 37 C.F.R. § 2.117(a).

Almost all the cases in which the Board has suspended proceedings have involved a pending civil action, unlike here, and the same parties in *both* proceedings, unlike here. A review of these cases demonstrates how unprecedented suspension would be here. *See, e.g., Gen. Motors Corp. v. Cadillac Club Fashions Inc.*, 22 USPQ2d 1933, 1936-37 (TTAB 1992)

³ On February 16, 2012, the Board issued its Opinion holding that GUANTANAMERA was unregistrable under § 2(e)(3), and specifically holding that the evidence established the materiality of the mark's goods/place association for a substantial portion of relevant consumers, the issue on remand. D.E. 178. On March 1, Opposer requested that the Board amend the Opinion as to certain statements by the Board (erroneous, according to Opposer) concerning a document filed by Opposer, wholly unrelated to the merits of the § 2(e)(3) holding. D.E. 179. The applicant did not oppose the request to amend, which is currently pending. There is no pending appeal to the Federal Circuit or pending civil action.

(rights in *same mark* involved in cancellation proceeding and federal district court proceeding); *Other Tel. Co. v. Connecticut Nat'l Tel. Co.*, 181 USPQ 125, 126-27 (TTAB 1974) (civil action involved rights in *same mark* as in Board proceeding), *petition denied*, 181 USPQ 779 (Comm'r 1974); *Kearns-Tribune, LLC v. Salt Lake Tribune Publ'g Co.*, Opp. No. 91151843, at 8-9 (TTAB Sept. 11, 2003) (suspending Board proceeding contesting ownership of mark THE SALT LAKE TRIBUNE in favor of civil action in which “the respective rights of the [same] parties to purchase and transfer THE SALT LAKE TRIBUNE newspaper and its unspecified assets are central to the civil action,” and the “newspaper appears to be the goods identified in the involved application”). To the same effect, involving determination of rights in the same mark in a pending court proceeding and Board proceeding between the same parties, see, e.g., *New Orleans Louisiana Saints LLC & NFL Properties LLC v. Who Dat?, Inc.*, 99 USPQ2d 1550, 1552 (TTAB 2011); *Arcadia Group Brands Ltd. v. Studio Moderna SA*, 99 USPQ2d 1134, 1136 (TTAB 2011) (nonprecedential); *Soc'y of Mexican Am. Eng'rs and Scientists, Inc. v. GVR Public Relations Agency, Inc.*, Opp. No. 91121723, at 9-10 (TTAB Nov. 6, 2002); *Tokaido v. Honda Assoc. Inc.*, 179 USPQ 861, 862 (TTAB 1973); *Whopper-Burger, Inc. v. Burger King Corp.*, 171 USPQ 805, 807 (TTAB 1971).

The two proceedings Petitioners have located in which the Board suspended proceedings in favor of another pending Board proceeding further demonstrate that Respondent's suspension motion is meritless. See *The Tamarkin Co. v. Seaway Food Town Inc.*, 34 USPQ2d 1587, 1592 (TTAB 1995) (opposition proceeding suspended pending outcome of *ex parte* prosecution of opposer's pending application for same mark, in context of apparent efforts by parties to resolve dispute); *Official Starter LLC v. WNBA Enterprises, LLC*, Opp. No. 91160755, at 3-4 (TTAB July 22, 2005) (suspending opposition to registration of mark (“S” & Design in IC 18), until

resolution of pending summary judgment motion in another proceeding between same parties over identical mark in IC 25; if motion denied, proceedings to be consolidated).

Likewise, the only two cases Petitioners have found in which the Board suspended a proceeding in favor of another proceeding (both state court actions) involving only one of the parties before the Board concerned contests over rights in the identical mark before the Board. *See Argo & Co. v. Carpetsheen Mfg., Inc.*, 187 USPQ 366, 367 (TTAB 1975) (suspending proceeding pending state court action which “will determine whether applicant is the owner of the mark sought to be registered”; if not, application “will be declared void *ab initio* ... and registration to applicant will be refused”); *NY-Exotics, Inc. v. Exotics.com, Inc.*, Canc. No. 92040976, at 7-8 (TTAB Apr. 29, 2004) (cancellation proceeding challenging ownership of mark NY-EXOTICS.COM suspended where “the issues involved in determining ownership of the mark NY-EXOTICS.COM are the subject of a civil action pending in [state] Court”).

Respondent has identified no specific factual or legal question in *Guantanamera* and explained how its disposition in that case would specifically affect this case. Rather, without further analysis, Respondent merely asserts that, at the most generalized level, *Guantanamera* involves “the same legal issues (at the core), i.e., whether the subject mark is barred from registration pursuant to Section 2(e)(3).” Opp. at 6. By Respondent’s “reasoning,” however, every pending section 2(e)(3) case must be suspended pending the outcome of the *Guantanamera* case. Indeed, it appears that every case must be suspended in favor of every other pending case that presents the same ultimate legal issue (*e.g.*, under §§ 2(e)(1), or (2), or § 2(a) deceptiveness, or presumably even § 2(d); Respondent provides no limiting principle), on the chance that the Board or a court might say something about the general legal issue that might have some bearing on the pending case. That has never been the standard for suspension.

Moreover, at this point *Guantanamera* concerns only the “substantial portion” requirement of *In re Spirits Int’l, N.V.*, 563 F.3d 1347 (Fed. Cir. 2009) for a foreign language mark referring to a particular place (of or from Guantanamo, Cuba). The instant case concerns the name of the most famous place in Cuba (and the world) for the production of high quality cigar tobacco, as well as Respondent’s representation to the PTO that its tobacco seeds come from Pinar del Rio, Cuba, made to overcome the PTO’s refusal to register the mark under § 2(e)(3) (there is no “Cuban seed” issue in *Guantanamera*). Notably, Respondent does not concede that if the applicant loses the *Guantanamera* case, then he will abandon his registration. Thus, however a court might ultimately rule in *Guantanamera*, the Board will still need to address the § 2(e)(3) and fraud-on-the-PTO evidence for the PINAR DEL RIO mark.

The fact that Habanos, S.A. contends both marks are unregistrable under § 2(e)(3), that the general legal principles and case law of § 2(e)(3) apply in both cases, or even that there are common facts (*e.g.*, both involve cigars; Cuba is famous for cigars; U.S. consumers desire and attempt to purchase Cuban cigars) has never been thought grounds for suspending one action in favor of another, and no case suggests otherwise. Application of the general legal reasoning in one case to another, or the presence of some common facts is obviously far different than the situation in which a court or the Board in one matter is specifically determining rights in the *same mark* and between the same parties (or at least one party) that is before the Board in another proceeding.

Finally, Respondent’s counsel, who is also counsel in *Guantanamera*, states that, rather than a direct appeal, he intends to bring another civil action in *Guantanamera* in the District Court for the District of Columbia and ultimately the District of Columbia Circuit Court of Appeals. Opp. at 7. Thus, by his own claimed choice, the final determination of any such

appeal, while binding in *Guantanamera*, will not only not bind the Board to any specific result in this unrelated case, but also will not bind the Board to legal reasoning that the Board finds inconsistent with precedents of the Federal Circuit. *See In re The Government of the District of Columbia*, 101 USPQ2d 1588, 1596 n.12 (TTAB 2012) (“Whatever the state of the law in other circuits, we are bound by the decisions of the Federal Circuit (and its predecessor, the Court of Customs and Patent Appeals), which directly reviews our decisions on appeal.”).

Respondent has provided no rational reason not to proceed with discovery and then to the merits of this matter. Respondent cannot avoid litigation here on the off-chance that a court in an unrelated matter might say something that Respondent believes might be useful in this case.⁴

CONCLUSION

For the reasons stated above, and in all the papers and proceedings had herein, Petitioners’ motion to compel discovery and for sanctions should be granted, and Respondent’s motion to suspend proceedings should be denied.

Dated: New York, New York
May 25, 2012

Respectfully submitted,
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⁴ Substantial portions of Respondent’s filing are completely unrelated either to the issues presented by the motions to compel and to suspend, or to this cancellation proceeding generally, and to which Petitioners will not respond here.

