

ESTTA Tracking number: **ESTTA415924**

Filing date: **06/22/2011**

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

Proceeding	92052713
Party	Defendant Sand K., Inc.
Correspondence Address	TAL GRINBLAT LEWITT HACKMAN SHAPIRO ET AL 16633 VENTURA BOULEVARD, SUITE 1100 ENCINO, CA 91436 UNITED STATES dgurnick@lewitthackman.com, tgrinblat@lewitthackman.com, nkanter@lewitthackman.com
Submission	Reply in Support of Motion
Filer's Name	Nicholas Kanter
Filer's e-mail	nkanter@lewitthackman.com
Signature	/s/ Nicholas Kanter
Date	06/22/2011
Attachments	Reply Brief.pdf ( 7 pages )(26136 bytes )

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

In the matter of:	)	
	)	<b>Cancellation No. 92052713</b>
PREMIUM DENIM, LLC.,	)	
	)	
petitioner	)	<b>SAND K'S <u>REPLY BRIEF</u> IN SUPPORT</b>
	)	<b>OF MOTION FOR AN ORDER TO</b>
v.	)	<b>COMPEL DISCOVERY</b>
	)	
SAND K, INC.,	)	
	)	
registrant	)	
<hr style="width:40%; margin-left:0;"/>		

**SAND K'S REPLY BRIEF IN SUPPORT OF  
MOTION FOR AN ORDER TO COMPEL DISCOVERY**

**1. Introduction.**

The scope of discovery is broad. This settled rule is codified in Federal Rule 26(b)(1) which states: "Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claim or defense... Relevant information need not be admissible at the trial if the discovery appears reasonably calculated to lead to the discovery of admissible evidence." Moreover, one factor in assessing if likelihood of confusion exists is "any other established fact probative of the effect of use." *Application of E. I. DuPont DeNemours & Co.*, 476 F.2d 1357, 1361 (C.C.P.A. 1973) (emphasis added). The *DuPont* court said the tribunal hearing the case should consider any evidence that may show likelihood of confusion. *Id.* ("We find no warrant, in the statute or elsewhere, for discarding *any* evidence bearing on the question of likelihood of confusion. Reasonable men may differ as to the *weight* to give specific evidentiary elements in a particular case...In every case turning on likelihood of confusion, it is the duty of the examiner, the board and this court to find, upon consideration of *all* the evidence, whether or not confusion appears likely.").

Taken together, Rule 26(b)(1) and *DuPont* strongly support Sand K's request to discover

facts regarding the impairment and damage Premium claimed existed due to coexistence of Sand K's "Bette Paige" mark and Premium's "Paige," as well as opinions by members of the public concerning use of "Paige" marks. Whether these facts are *admissible* at the trial shall be decided later in this proceeding. The proper inquiry now is whether Sand K's interrogatories and document demands may lead to discovery of admissible evidence. The Board should therefore grant Sand K's motion and require Premium to provide responsive facts and documents.

2. **Evidence of Impairment/Damage is Relevant [Category 1 – Requests Nos. 4 – 6; Interrogatories Nos. 4 – 9].**

Premium does not deny it was damaged or impaired by the existence of Sand K's registration. Premium alleged this in its petition for cancellation, a binding admission. Now Premium tries to claim the damage and impairment alleged was a type that all members of the public suffer from the existence of a federal registration that is not entitled to be registered. Presented in response to a discovery motion, Premium's argument lacks merit.

Premium's response is pregnant with acknowledgement that it possesses responsive documents and facts of damage and impairment, but is withholding them based on its own *interpretation* of those facts and documents. Premium's interpretation is that the withheld information discloses only the same damage and impairment suffered by the rest of the public<sup>1</sup>. Of course Premium adopts this position now, after withdrawing its cancellation petition. But Sand K may argue, and the Board may accept, a different interpretation of the evidence – one that favors Sand K's position. Sand K should be permitted to discover the evidence, and be allowed to present it to the Board with Sand K's legal analysis how the evidence should be interpreted. The Board, in an open adversary process, not Premium in secret, should make the final determination what the facts show, and their significance. *DuPont*, 476 F.2d at 1361.

---

<sup>1</sup> The case cited by Premium to claim "we are all damaged and impaired when a party is allowed to maintain a federal registration for a mark that is not entitled to registration" is inapposite. *Dewalt, Inc. v. Magna Power Tool Corp.*, 289 F.2d 656 (CCPA 1961) held only that damage is presumed or inferred where the mark at issue is descriptive. Descriptiveness of marks has not yet become an issue in this case, so no general presumption of damage or impairment applies.

Sand K asks the Board to require Premium to produce facts and documents that supported its claim of damage and impairment. Sand K anticipates urging the Board to consider evidence of damage and impairment as probative that concurrent use of the “paige” marks creates likelihood of confusion. Damage or impairment that resulted from co-existence of the marks should be considered as a factor in determining that likelihood of confusion exists (one of the *DuPont* factors). This is anticipated to be strong, credible evidence because it was uttered by Premium itself, in circumstances wherein Premium expressed itself directly, forcefully, and candidly.

The information is relevant for another reason as well. Premium claims it alleged damage and impairment based on belief that Sand K abandoned its “Bette Paige” mark. Though Premium’s cancellation petition has since been dismissed, its abandonment claim is still at issue. Premium’s second affirmative defense alleges Sand K’s “Bette Paige” mark was abandoned. So Premium’s claim of damage and impairment resulting from the alleged abandoned mark is still at issue. Facts supporting Premium’s claim is clearly relevant to the alleged affirmative defense.

Finally, Premium improperly seeks to prejudice the Board against Sand K by introducing an irrelevant subject – settlement – and insinuating that Sand K seeks to extract a large settlement. It was inappropriate for Premium to bring that subject up as it has nothing to do with this discovery matter. Premium’s discussion is also misleading. They omitted to mention that Premium, not Sand K, initiated this proceeding by filing a cancellation petition. Sand K’s petition was filed in response, after investigation. Premium then dismissed its cancellation petition due to its lack of merit.

Premium also omits from its brief that it was Premium who – after filing the cancellation petition and letting the matter become at issue -- opened settlement discussion.<sup>2</sup> Only in *response* to Premium’s request, at an initial discussion stage, did Sand K propose a concept – which was not a settlement demand – but rather an opening suggestion for Premium to consider

---

<sup>2</sup> In an August 19, 2010 email, Premium opened discussion, suggesting the parties’ settle the dispute.

acquiring Sand K's "Bette Paige" mark and associated goodwill. Premium is both incorrect and false in claiming Sand K made a demand – Sand K never made a demand of over \$1 million to resolve the dispute; Sand K did respond to Premium's request, by proposing a possible business resolution framework for possible settlement.

Premium appears to have a practice of bringing claims against smaller companies. In addition to the instant cancellation, Premium filed an opposition against the owner of the mark "Peige." (Opposition No. 91189899). Similar to Premium's cancellation petition here, Premium's opposition was dismissed with prejudice. Premium initiated a lawsuit against Ashley Paige Depew ("Ashley") (owner of the "Ashley Paige" trademark). Ashley counterclaimed for infringement, obtaining an injunction against Premium's use of the word "Paige." Premium settled with Ashley. Even after Premium acknowledged they have no basis to claim abandonment by Sand K, Premium has maintained its abandonment defense in this proceeding. Premium's litigation tactics make it inappropriate for them to make false accusations against Sand K.

The issue in this motion is discovery, not settlement. Premium should be directed to provide responses to Document Requests 4-6 and Interrogatories 4-9.

**3. Communications with Third Parties [Category 2 – Requests Nos. 29 - 30].**

Premium belatedly claims in its opposition that the requests are overbroad. But this objection was not raised in the parties' meet-and-confer, which is designed to narrow the scope of the discovery dispute. Premium's only objection in the meet-and-confer was relevancy. That should be the only objection considered by the Board now. But, in case the Board wishes to consider the overbroad objection, Sand K is willing to narrow its request to pertain to the "Paige" marks at issue in the proceeding.

Premium correctly states that determining likelihood of confusion is a fact-intensive inquiry which must be determined on a case-by-case basis. (Premium's Brief at pg. 5). Here, Premium's claims against third-parties using marks Premium says are confusingly similar to its own "Paige" marks, are relevant to this proceeding. Where Premium sent cease-and-desist letters to others claiming use of "Zoe Paige Collection" for clothing was confusingly similar to

Premium's "Paige" marks, the letter is probative of actual confusion in the field of marks involving the word "Paige." Further, the letter will generate discoverable information because Sand K will examine Premium's representative on instances of actual confusion, and on the particular marks involved in such confusion.

Premium filed opposition against the owner of the "Zoe Paige Collection" mark claiming likelihood of confusion<sup>3</sup>. (Opposition No. 91193810, Notice of Opposition, ¶9). If Premium asserted likelihood of confusion between its "Paige" marks and another "Paige" mark, in the same class, for similar goods, the admissions in that letter will assist in the examination of Premium's representative to elicit admissions of confusion between the "Paige" marks and Sand K's "Bette Paige" mark. Sand K seeks discovery of Premium's statements, state-of-mind and admissions made in writing concerning marks that use the word "paige" or similar words.

Sand K also seeks letters received by Premium from third parties concerning "Paige" marks. Letters from third parties can be strong direct evidence of consumer confusion. Those letters are also likely to lead to discoverable, relevant information as Sand K seeks to interview and elicit testimony from the authors of such letters as to actual confusion. It is much more economical to discover the particular letters on exactly the subject of this proceeding, then to force Sand K to conduct an open-ended search for such authors.

Whether the cease-and-desist letters are admissible or binding admissions is not at issue at this discovery stage. The only inquiry is whether the letters are relevant in the broad sense of discovery relevance. Sand K intends to depose Premium and interview third parties who wrote to Premium concerning the cease-and-desist letters. Those individuals' testimony will be evidence at trial, and the third party letters are a direct roadmap to those witnesses. Discovering such information (the letters) to generate admissible evidence is expressly contemplated in Federal Rule 26(b)(1) ("Relevant information need not be admissible at the trial if the discovery appears reasonably calculated to *lead to the discovery* of admissible evidence.") (emphasis

---

<sup>3</sup> The application for "Zoe Paige Collection" was for "Clothing, namely, shirts, dresses, pants, socks, belts, shorts, jackets, sweaters, overalls, and headwear."

added). Therefore, Premium should be required to produce all documents responsive to Requests 29 – 30.

**4. Conclusion.**

Sand K is entitled to obtain through discovery all relevant non-privileged information from Premium. Premium does not claim that any of the information sought in this motion is privileged. Sand K has demonstrated that the information is relevant (that is, the broad scope of discovery relevance) to the claims against Premium. Whether this information will be admissible at trial is not at issue in this motion. Premium will have an opportunity to challenge admissibility later. Because the information meets the test of discovery relevance, the Board should grant Sand K's motion and order Premium to provide supplemental written responses, and produce the documents responsive to Document Requests 4, 5, 6, 29 and 30 and Interrogatories 4, 5, 6, 7, 8 and 9.

DATED: June 22, 2011

LEWITT, HACKMAN, SHAPIRO,  
MARSHALL & HARLAN

By: /s/ Nicholas Kanter  
David Gurnick, SBN 115723  
Nicholas Kanter, SBN 239436  
LEWITT, HACKMAN, SHAPIRO,  
MARSHALL & HARLAN

**CERTIFICATE OF SERVICE**

I hereby certify that a true and complete copy of Sand K's *Reply Brief in Support of Motion for an Order to Compel Discovery* is being served by first class mail, postage prepaid, to:

Rod S. Berman, Esq.  
Jeffer Mangels Butler & Mitchell, LLP  
1900 Avenue of the Stars, Seventh Floor  
Los Angeles, CA 90067

DATED: June 22, 2011

/s/ Nicholas Kanter  
Nicholas Kanter