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

Baxley

Mailed: December 31, 2013

Cancellation No. 92055208

Industria Farmaceutica
Andromaco, S.A. de C.V.

v.

Laboratorios Andromaco S.A.

Andrew P. Baxley, Interlocutory Attorney:

In the above-captioned proceeding, Industria Farmaceutica Andromaco, S.A. de. C.V. ("petitioner") seeks to cancel Laboratorios Andromaco S.A.'s ("respondent") registration, which was obtained under Trademark Act Section 44(e), 15 U.S.C. Section 1126(e), for the mark HIPOGLOS in standard character form for goods in International Classes 3 and 5[1] on the ground of abandonment based on non-use for at least three consecutive years.

[1] Registration No. 3462243, issued July 8, 2008, pursuant to Trademark Act Section 44(e), based on Chilean Registration Nos. 742755 and 783236. The identified goods are "[n]on-medicated lotions, ointments, and creams, namely, skin creams, skin ointments and skin lotions; ointments and creams for skin care; cosmetics, namely, foundation make up, face powder, pressed powder, blush, cover up creams, concealers, eye shadows, eye liners, eye pencils, eye treatments in the form of creams, gels and lotions; cosmetic lip products, namely, lipsticks, lip color, lip tint, lip gloss, lip glaze, lip pencils, lip liners, lip balms, lip shine, and lip conditioner; cosmetic preparations for eyelashes, namely, mascara, lash tints, lash enhancers, lash primers; cosmetic preparations for eyebrows, namely, brow pencils, brow moisturizing cream, gel and lotion; nail care preparations, namely, nail lacquer, nail polish, nail polish

This case now comes up for consideration of petitioner's motion (filed August 14, 2013) to compel discovery and to reopen the discovery period. The motion has been fully briefed. As an initial matter, the Board finds that petitioner made a good faith effort to resolve the parties' discovery dispute prior to seeking Board intervention, as required by Trademark Rule 2.120(e)(1).

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remover; skin preparations, namely, skin masks, toners, tonics, clarifiers and refreshers; soaps for personal use; skin cleansers; face and body powders for personal use; non-medicated bath and shower preparations, namely, bath oils, bath salts, bath beads, bath gels, bath grains;sun care preparations, namely, sun screen preparations, sun block preparations, self tanning preparations; skin bronzing preparations, namely, skin bronzer creams, lotions and gels, cosmetic bronzing sticks, bronzing powders; after-sun soothing and moisturizing preparations in the nature of creams and lotions; pre-shave and after shave lotions, creams, balms, splashes and gels; shaving cream, shaving gel; non-medicated skin care preparations; non-medicated skin care treatment preparations, namely, facial moisturizers, face creams, face lotions, face gels, skin tonics, eye creams, lotions and gels; skin cleansing lotions; skin cleansing creams; skin cleansing gels; facial scrub; non-medicated anti-wrinkle creams, lotions and gels; exfoliating creams, lotions, gels and oils; non-medicated skin repair creams, lotions and gels; hand cream; preparations for the body, namely, body cream, body lotion, body gel, body oil, body powder, body toners, body cleansers, body sprays and body washes; non-medicated skin renewal creams, lotions and gels; skin refreshers; makeup removers; personal deodorants and antiperspirants; moisturizing lotions and creams for the face and body; astringents for cosmetic purposes; talcum powder; hair care preparations; hair styling preparations; hair sunscreen preparations; perfumery, namely, perfume, eau de perfume, eau de toilette, cologne and essential oils for personal use, scented oils used to produce aromas when heated, fragranced body, and bath and hair care preparations; medicated soaps" in International Class 3 and "[m]edicated lotions, ointments and creams, namely, skin lotions, skin ointments, skin creams, diaper rash lotions, diaper rash ointments and diaper rash creams; bandages for skin wounds; medical plasters; first aid kits; capsules, tablets, gel capsules, and pills sold empty for pharmaceutical purposes" in International Class 5.

A mark is abandoned on goods "[w]hen its use has been discontinued with intent not to resume such use. ... Nonuse for 3 consecutive years shall be prima facie evidence of abandonment."[2] Trademark Act Section 45, 15 U.S.C. Section 1127. "'{U]se in commerce' means a 'lawful use in commerce', and the shipment of goods in violation of federal statute, including the Food, Drug and Cosmetic Act, may not be recognized as the basis for establishing trademark rights." *Clorox Co. v. Armour-Dial, Inc.*, 214 USPQ 850, 851 (TTAB 1982). However, a party seeking cancellation of a registration based on allegedly unlawful use must demonstrate by clear and convincing evidence both that the use in question was not in compliance with applicable law and that the non-compliance was material, i.e., that it was of such gravity and significance that the usage must be considered so tainted that, as a matter of law, it could create no trademark rights. See *General Mills Inc. v. Health Valley Foods*, 24 USPQ2d 1270, 1274 (TTAB 1992).

Petitioner's motion to compel essentially revolves around respondent's failure to produce certain documents

[2] As a Section 44(e) registrant, respondent is "granted a dispensation from actual use prior to registration, but after registration, there is no dispensation of use requirements. If [respondent] fails to make use of the registered mark for [three] years, the [statutory] presumption of abandonment may be invoked against [respondent,] as against any other." *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 14 USPQ2d 1390, 1395 (Fed. Cir. 1990).

with regard to a Food and Drug Administration (FDA) investigation and product recall of goods bearing the involved HIPOGLOS mark that petitioner contends are responsive to document request nos. 24 and 33.[3] In document request no. 24, petitioner seeks documents concerning non-use of respondent's involved mark since its initial adoption. In document request no. 33, petitioner seeks documents regarding "any research, investigations, and/or plans relating to whether [respondent] would sell goods" under the involved mark in the United States.

In view of the broad scope of the document requests at issue,[4] the Board agrees with petitioner that documents regarding the FDA investigation and recall of goods bearing the HIPOGLOS mark are within the scope of document request nos. 24 and 33 and are discoverable based on their relevance to the pleaded abandonment claim. In particular, documents regarding the FDA investigation and recall concern nonuse of the involved mark, as contemplated by document request no. 24, and are within the scope of the documents concerning

[3] To the extent that petitioner's motion is based on any informal request for production that petitioner made after the October 30, 2012 close of the discovery period, the Board notes that all document requests must be served prior to the close of the discovery. See Trademark Rule 2.120(a)(3). The Board will not compel production of documents based on any informal document requests after the close of the discovery period.

[4] Respondent did not object to either document request on the ground of vagueness, and respondent produced "FDA authorizations" in response to document request no. 33.

"investigations ... relating to whether [respondent] would sell goods" under the involved mark.

Accordingly, the motion to compel is hereby granted as follows: To the extent that respondent has not already produced responsive documents, and petitioner has not already received responsive documents through a Freedom of Information Act (FOIA) request,[5] respondent is directed to produce all remaining documents responsive to document request nos. 24 and 33 regarding the FDA investigation and recall of products sold under the involved HIPOGLOS mark in its possession, custody and/or control within thirty days of the mailing date of this order.[6] See Fed. R. Civ. P. 34(a)(1). If any of such documents are confidential, they

[5] The record indicates that, on July 22, 2013, petitioner sent respondent a copy of the documents that respondent received through FOIA requests regarding the FDA recall of products bearing the involved HIPOGLOS mark and that, on September 18 and 23, 2013, respondent sent petitioner a copy of a November 4, 2011 e-mail from Kristine A. Corbett of the FDA to Robert J. Bard, an attorney retained by respondent.

[6] However, the Board declines to compel respondent to produce documents in the possession, custody or control of its United States distributor, Victus, Inc. ("Victus"), a nonparty. Production of the documents at issue by nonparty Victus must be by way of a discovery deposition obtained through a *subpoena duces tecum*, unless Victus agrees to produce those documents voluntarily. See 35 U.S.C. Section 24; Fed. R. Civ. P. 45; TBMP Section 406.01 (3d ed. rev. 2 2013). However, the Board notes that, with regard to discovery depositions of party witnesses, a combined notice of deposition and request for production of documents must be served at least thirty days prior to the close of the discovery period, thirty-five days if service is made by mail or overnight courier. TBMP Section 403.05(b). Accordingly, petitioner may not have sufficient time to pursue document production from Victus under the schedule set forth *infra*.

may be produced under seal in accordance with the standard protective order that is operative herein. See Trademark Rule 2.116(g). Respondent need not produce documents that petitioner has already received through FOIA requests. See Fed. R. Civ. P. 26(b)(2)(C)(i).

Regarding petitioner's motion to reopen discovery, petitioner seeks to reopen the discovery period for the limited purpose of taking follow-up discovery regarding the FDA investigation and recall, including a discovery deposition under Fed. R. Civ. P. 30(b)(6) of respondent's United States distributor Victus and a discovery depositon of Illena Yanes, Victus's regulatory affairs/quality assurance manager. The Board notes that respondent served responses to petitioner's document requests and responsive documents on October 1, 2012, nearly one month prior to the October 30, 2012 close of the discovery period. However, respondent did not produce any properly discoverable documents regarding the FDA investigation and recall as part of that document production, and petitioner did not become aware of the FDA investigation and recall until after the close of the discovery period.[7] A party which receives

[7] The better practice would have been for petitioner to file a motion to reopen discovery to take follow-up discovery immediately upon becoming aware of the FDA investigation and recall instead of attempting to pursue discovery outside of Board procedural rules.

Even if we assume, as respondent argues, that petitioner should have been aware of the FDA investigation and recall because

discovery requests early in the discovery period may not, by delaying its response thereto, or by responding improperly so that its adversary is forced to file a motion to compel discovery, deprive its adversary of the opportunity to take "follow-up" discovery. Such a delay or improper response warrants reopening the discovery period for petitioner for roughly one month, so as to restore that amount of time which would have remained in the discovery period had the discovery responses been made in a timely and proper fashion, i.e., concurrently with respondent's October 1, 2012 document production.[8] See *Neville Chemical Co. v. Lubrizol Corp.*, 184 USPQ 689 (TTAB 1975); TBMP Section 403.04.

In view thereof, petitioner's motion to reopen the discovery period is granted to the extent set forth in this order. Proceedings herein are resumed. The discovery period is reopened for petitioner only for the limited purpose of taking discovery in connection with the FDA investigation and recall regarding goods bearing the

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information with regard thereto was available online as early as the week of August 29, 2012, such availability does not relieve respondent of its discovery obligations.

[8] The Board notes that petitioner did not serve its document requests until August 16, 2012, i.e., two and a half months prior to the close of the discovery period. Allowing petitioner a longer reopened discovery period would essentially reward petitioner's failure to pursue discovery earlier in the discovery period. See TBMP Section 403.04.

HIPOGLOS mark and is hereby reset to close on **January 31, 2014**.[9] Remaining dates are reset as follows.

Plaintiff's Pretrial Disclosures Due	**3/17/2014**
Plaintiff's 30-day Trial Period Ends	**5/1/2014**
Defendant's Pretrial Disclosures Due	**5/16/2014**
Defendant's 30-day Trial Period Ends	**6/30/2014**
Plaintiff's Rebuttal Disclosures Due	**7/15/2014**
Plaintiff's 15-day Rebuttal Period Ends	**8/14/2014**

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 completion of the taking of testimony. Trademark Rule 2.l25.

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.

If either of the parties or their attorneys should have a change of address, the Board should be so informed promptly.

[9] To the extent that petitioner seeks to take discovery depositions of any nonparty witnesses, petitioner must secure the deponent's attendance by subpoena, pursuant to 35 U.S.C. Section 24 and Fed. R. Civ. P. 45, unless the nonparty witness agrees to appear voluntarily. See TBMP Section 404.03(a)(2). Respondent is not required to create documents solely to satisfy petitioner's discovery requests. See *Washington v. Garrett*, 10 F.3d 1421, 1437-38 (9th Cir. 1993). However, if respondent fails to produce properly discoverable documents, respondent may, upon timely objection at trial by petitioner, be precluded from relying on those documents at trial. See Fed. R. Civ. P. 37(c)(1).