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

Proceeding	92059382
Party	Plaintiff T.H.Y. & Associates, Inc.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
TRADEMARK TRIAL AND APPEAL BOARD**

T.H.Y & ASSOCIATES, INC.,

Petitioner,

vs.

LOCAL CLOTHES, LLC,

Registrant.

Cancellation No. 92059382

Registration No. 3,828,657 for the mark
LOCAL & Design in Class 025

Registration Date: August 3, 2010

Registration No. 4,217,618 for the mark
LOCAL in Class 025

Registration Date: October 2, 2010

First Amended Petition to Cancel

FIRST AMENDED PETITION TO CANCEL

T.H.Y. & ASSOCIATES, INC. (“Petitioner”), a Hawaii corporation located and doing business at 16-151 Wiliama Street, Keeau, HI 96749 (“Petitioner”), Keaau, Hawaii, believes it will be damaged by the maintenance of LOCAL & Design, Registration No. 3,828,657 in International Class 025 for board shorts, hats, pants, shirts, shorts, and sweat shirts, as well as LOCAL, Registration No. 4,217,618, also in International Class 025 and also for board shorts, hats, pants, shirts, shorts, and sweat shirts (collectively herein the “LOCAL marks”), both owned by Local Clothes, LLC (“Registrant”), hereby submits, in accordance with the Trademark Trial and Appeal Board’s order dated September 4, 2014, its first amended petition to cancel the same.

As grounds for cancellation, Petitioner alleges:

1. Petitioner is a manufacturer, importer and distributor of goods into and throughout the State of Hawaii, the mainland United States and foreign countries, and in particular footwear products such as slippers and sandals and in particular, rubber slippers commonly worn in Hawaii and in other warm climates and beach communities.

2. More than twenty years prior to Registrant's claimed first use of its LOCAL marks, Petitioner adopted and began using its scripted LOCALS mark on and in conjunction with its footwear products, in interstate and international commerce, as early as November 1986, and has been using its LOCALS mark, in interstate and international commerce, continuously since.

3. On June 6, 2001, some nine years prior to Registrant's claimed first use of its LOCAL marks, Petitioner applied to register its LOCALS mark, in International Class 025, for footwear, with the United States Patent and Trademark Office (the "USPTO") and was awarded Registration No. 3,038,713 therefore on January 10, 2006. Petitioner's Registration No. 3,038,713 continues to be valid and subsisting and has attained incontestable status.

4. Petitioner has invested substantial amounts of money, time and effort in establishing, developing, marketing and advertising its products under and in connection with its LOCALS mark throughout the United States.

5. By virtue of the quality and popularity of Petitioner's goods offered in connection with the LOCALS mark, and its advertising and promotion of footwear products in connection therewith, Petitioner has built and owns valuable goodwill which is symbolized by and associated with its LOCALS mark.

6. Registrant's registration and use of its LOCAL marks, for board shorts, hats, pants, shirts, shorts, and sweat shirts in International Class 025 ("Registrant's Goods") is without Petitioner's consent or permission.

7. Petitioner is clearly the senior user, having used its LOCALS mark on and in conjunction with class 025 goods some twenty-one years prior to Registrant applying to use its LOCAL marks and more than twenty-three years prior to Registrant's alleged use of its LOCAL marks in commerce.

CLAIM I – LIKELIHOOD OF CONFUSION

8. Petitioner incorporates the allegations of Paragraphs 1 through 7 above.

9. Registrant's use of the LOCAL marks in connection with Registrant's Goods is likely to cause confusion, mistake, or deception in that consumers are likely to believe Registrant's Goods are Petitioner's goods or the goods of a person or entity that is sponsored, authorized or licensed by, or in some other way connected with, Petitioner. This is particularly so because the marks are virtually identical and/or confusingly similar in sight, sound and meaning and they are being used on closely related goods. That Registrant claims to use its LOCAL marks on and in relation to clothing that is worn in warm climates and beach communities contributes to the likelihood of confusion. Registrant's website, located at www.localclothes.com, markets Registrant's LOCAL branded clothing to the surf and skate board community being the same customers who can be expected to purchase Petitioner's rubber slipper products.

10. As senior user, Petitioner has the right to expand the use of its LOCALS mark on and in relation to related goods including, for example, Registrant's Goods, further increasing the likelihood of confusion.

CLAIM II – INVALID REGISTRATIONS

11. Petitioner incorporates the allegations of Paragraphs 1 through 10 above.
12. Upon information and belief, Registrant's Registration No. 3,828,657 and No. 4,217,618 are invalid based on nonuse, abandonment, and/or fraud on the USPTO because of knowingly inaccurate or false material representations made to the USPTO during the registration process, namely, for failing to use the LOCAL mark as claimed on some or all of the listed products in commerce, and/or for abandoning the use of the same on some of all of the identified goods in the context of Registration No. 3,828,657 and, in the context of Registration No. 4,217,618, based upon the examiner's reliance upon Registration No. 3,828,657 when allowing Registration No 4,217,618, as more particularly described herein below.
13. Registrant has abandoned Registration No. 3,828,657 based on (1) nonuse of the LOCAL mark in commerce in the manner depicted in Registration No. 3,828,657, and (2) intent not to resume use based on the continued nonuse of the LOCAL mark in commerce in the manner depicted in Registration No. 3,828,657.
14. Registrant's website, located at www.localclothes.com, which markets and distributes Registrant's LOCAL branded clothing does not sell or offer to sell or otherwise depict goods in commerce bearing the LOCAL mark as depicted in Registration No. 3,828,657.
15. Instead, as discussed below, Registrant's website offers for sale goods featuring an alternate form of the LOCAL mark, and not the form of the LOCAL mark depicted in Registration No. 3,828,657.

16. Registrant's blog, located at www.localclothes.com/local-blog-2/, which features articles, photos, videos, and other content relating to Registrant's LOCAL branded clothing and/or the surf and/or skate community, and which is linked to Registrant's website, features images depicting an alternate form of the LOCAL mark and not the LOCAL mark depicted in Registration No. 3,828,657.

17. More specifically, entries on Registrant's blog on April 9, 2013, July 6, 2011, August 10, 2010, February 10, 2010, and January 12, 2010, depict an alternate form of the LOCAL mark and not the form of the LOCAL mark depicted in Registration No. 3,828,657.

18. On December 23, 2008, in the context of Application/Serial No. 77157056 filed April 15, 2007 that matured into Registration No. 3,828,657, Registrant submitted a Petition to Revive Abandoned Application for registration of the LOCAL mark. In connection therewith, Registrant also proposed to amend the LOCAL mark from "LOCAL" (stylized with skull and crossbones symbol forming the letter "O") all in the color red to "LOCAL" (stylized with a different skull and crossbones symbol forming the letter "O"), *i.e.*, the alternate form of the LOCAL mark.

19. On December 24, 2008, the USPTO issued an Office Action expressly rejecting Registrant's proposal to register the alternate form of the LOCAL mark on the basis that the proposed alternate form of the LOCAL mark was materially different from the original form of the LOCAL mark submitted for registration.

20. On January 14, 2009, Registrant withdrew its request to register the alternate form of the LOCAL mark in response to the Office Action issued December 24, 2008, and requested that its original drawing of the LOCAL mark be reinstated and approved for publication.

21. On June 2, 2010, Registrant filed a Statement of Use and Specimen depicting the LOCAL mark corresponding to the original drawing of the LOCAL mark.

22. Upon information and belief, the Specimen that Registrant submitted to the USPTO on June 2, 2010 in the context of Application/Serial No. 77157056 in support of Registration No. 3,828,657 was not in use in commerce and/or Registrant had not made a bona fide use in commerce of the LOCAL mark depicted in the Specimen, yet Registrant knowingly and falsely claimed to the USPTO that it had made such use with knowledge that the USPTO would rely upon the same.

23. Registrant's false representation that it used the LOCAL mark depicted in the Specimen in commerce when it had not is a material representation of fact upon which the USPTO relied in granting Registration No. 3,828,657.

24. Registrant has failed to use in commerce and continues to fail to use in commerce the LOCAL mark in the manner depicted in Registration No. 3,828,657 as claimed on some or all of the listed products.

25. Based on the foregoing Registration No. 3,828,657 was procured by fraud on the USPTO.

26. Upon information and belief, but for Registration No. 3,828,657, the examiner in Application/Serial No. 76268756 filed June 6, 2001 that matured into Registration No. 4,217,618 would not have allowed Application/Serial No. 76268756, and therefore, Registration No. 4,217,618 would never have issued. As such, Registration No. 4,217,681 was equally procured by fraud on the USPTO.

27. Alternatively, Registrant has effectively abandoned Registration No. 3,828,657 for non-use without the intention to resume use in commerce of the LOCAL mark in the format depicted therein.

WHEREFORE, Petitioner respectfully requests that its First Amended Petition to Cancel be sustained and that Registration Nos. 3,828,657 and 4,217,618 be cancelled.

Respectfully Submitted,

Date: September 17, 2014

By: /s/ Seth M. Reiss /s/
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CERTIFICATE OF SERVICE

I hereby certify that on the date indicated below, a copy of this FIRST AMENDED PETITION TO CANCEL is being served upon attorney for Registrant by e-mail and first class U.S. mail as follows:

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Date: September 17, 2014

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