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

Proceeding	91233311
Party	Defendant Gilead Capital LP
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EJW/lw

Opposition No. 91233311 (Parent)
Opposition No. 91233327

Gilead Sciences, Inc.

v.

Gilead Capital LP

APPLICANT GILEAD CAPITAL'S REPLY BRIEF IN SUPPORT OF ITS CROSS-MOTION FOR SANCTIONS

I. Opposer Violated the Board's Order

The relevant facts are undisputed. Opposer moved to compel on the specific topics of the dates on which Applicant first provided its services, the dates on which it obtained its registrations, and the identity of its investors. The Board denied discovery, finding that such issues were not relevant. Opposer did not move for reconsideration. Instead, Opposer's counsel asked Applicant's managing partner more than thirty direct questions on the prohibited topics. Opposer's counsel made misrepresentations to the witness and threatened his attorney. Opposer did so without justification. 55 TTABVUE 4-10.

Opposer's response that its conduct was "consistent with the Board's orders" because it could take testimony on Topic No. 8 and from Mr. Strong as a percipient witness does not pass

the straight face test. Topic No. 8 was the "manner in which Applicant has provided each of Applicant's services in U.S. commerce." In granting discovery on Topic No. 8, the Board explained that it requested "information on **how** Applicant provides its services to its customers." 41 TTABVUE 12 (emphasis added). The plain and ordinary meaning of "manner" does not include when services were rendered, when a party obtains registrations, or to whom services were provided. If it did, there would have been no need for Opposer to separately identify and move to compel on Topic No. 7 (dates of service), Topic No. 13 (dates of registrations), or Interrogatory No. 16 (identity of investors). In reality, Opposer did not even explore Topic No. 8, as Mr. Farrell did not ask any questions about Gilead Capital's investment process.

More importantly, however, a party cannot evade an order of the Board by doing indirectly what it is prohibited from doing directly. Opposer cannot shoehorn its questions into a more general topic after the specific topic was denied, nor can it take discovery from a Rule 30(b)(1) witness on issues that were already held to be irrelevant. *See* Fed. R. Civ. P. 26(b)(1) (scope of discovery limited to matters that are relevant to claim or defense). Opposer tries to use Rule 30(b)(1) as both a sword and a shield—simultaneously imputing a layperson's testimony regarding dates of first service to the entity while also arguing that he was just being examined as a percipient witness.[1] Acceptance of Opposer's argument would create a glaring loophole for

[1] Because the Board denied discovery on Topic Nos. 7 and 13, Applicant was not obligated to prepare Mr. Strong to give testimony that would bind Gilead Capital on those topics and it should not be so bound. Even on proper Rule 30(b)(6) deposition topics, Opposer's counsel improperly blurred the lines and would not allow Mr. Strong to consult reference materials—copies of which were provided to Opposer's counsel at the deposition—in order to give accurate answers on behalf of Applicant. As a result, Mr. Strong occasionally had to go back on the record to amend testimony because his recollection was not accurate. 52 TTABVUE 171-172, 287, 301-302 (Strong Tr. 122:17-123:4) (not permitted to consult copy of privilege log to respond to questions regarding trademark clearance search); Strong Tr. 238:16-22 (same); Strong Tr. 252:23-253:6 (correcting testimony); 41 TTABVUE 6 (Board order that Applicant amend its privilege log to clarify whether the withheld documents were counsel's recordings based on the trademark search of her own thoughts and communicating legal advice to her client, and to identify the source material used for any search conducted, and which search results were recorded). A corporate designee may be educated on a topic; a Rule 30(b)(6) deposition is not a memory test of a fact witness.

evading Board orders any time there was a dual-capacity witness. This is not and cannot be the law.

Furthermore, Applicant did not waive its objections or otherwise concede the propriety of Opposer's questions, and Opposer's arguments to the contrary amount to pure gaslighting. In addition to repeated objections that Opposer had lost its motion to compel, the record is replete with Applicant's relevance and scope objections—which are typical objections in fact witness depositions—including in the very passage quoted by Opposer in its argument that Applicant objected "on a 30(b)(6) basis only." 57 TTABVUE 7. Applicant's objections regarding relevance and materiality would be preserved even without its counsel specifically stating so on the record. *See* Fed. R. Civ. P. 32(d)(3)(A). Opposer has an obligation to comply with Board orders and cannot shift the burden to Applicant to expend resources combatting Opposer's non-compliance.

II. Opposer's Violations Were Done in Bad Faith

Opposer argues that it should not be sanctioned because there was "no bad faith by Gilead [Sciences]." 57 TTABVUE 8. That claim is flatly contradicted by the record.

Opposer's violations of the Discovery Order are neither justified nor excusable. The Order was not ambiguous. Mr. Farrell did not mistakenly ask an errant question or two. He asked over thirty questions on denied topics. He used 20% of his questioning time to do so. He made false statements to the witness and threatened to go after Applicant's counsel for a follow up deposition. He did so with the approval or acquiescence of Opposer's in-house counsel, Jack Wessel, who was present. Opposer tries to whitewash its conduct by proclaiming that Opposition proceedings "are, by their nature, adversarial" and that it comported with the Federal Rules of Civil Procedure, the TBMP, and the Board's orders. 57 TTABVUE 8. However,

intentionally disregarding an order, making false statements to a witness, and threatening opposing counsel is conduct that falls well outside the bounds of zealous advocacy and should not be tolerated.

When viewed in the context of Opposer's long history of trying to construct a baseless fraud claim against Applicant and misleading the Board about the improper purpose of its discovery requests, Mr. Farrell's questioning of Mr. Strong on the denied topics can only be viewed as the utmost bad faith. Opposer's motion practice shows that Opposer's non-compliance was part of an intentional strategy to fish for information about Gilead Capital's trademark applications in order to assert a fraud claim that would fit within the frameworks of *In re Bose Corp.*, 580 F.3d 1240 (Fed. Cir. 2009)—in which Fish & Richardson was counsel—and *Nationstar Mortgage LLC v. Ahmad*, 112 U.S.P.Q.2d 1361 (TTAB 2014).

In its first motion to compel, Opposer argued that it needed discovery regarding the dates of first service and Applicant's registration with the SEC because priority was a core issue in the case—even though Applicant had already conceded priority. 28 TTABVUE 8. After the Board rejected that pretextual argument, Opposer tried again. If it could not get discovery to plead a plausible fraud claim, Opposer would try to persuade the PTO to deny registration of Applicant's marks *sua sponte* so that it would not have to prove its claims at all. Although Opposer asserts that its second "motion to compel" was warranted by Mr. Strong's changes to his testimony, that claim is belied by the fact that Opposer laid the groundwork for the motion weeks before he served his errata sheet.[2] In its moving brief here, Opposer argued that it needed the requested documents "to determine **whether** [Gilead Capital's] Applications may be false." 52

[2] Opposer sent letters "requesting" that Applicant produce "documents sufficient to show that it was actually providing all of the services listed in the applications" as of the claimed use date, on October 24, 2019 and November 4, 2019. 52 TTABVUE 316-320, 322. Mr. Strong submitted his signed corrections to the transcript and certification on November 18, 2019. 52 TTABVUE 332-343.

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