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

| Proceeding | 92052958 |
|---|---|
| Party | Defendant<br>Lucerne Farms |
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| Submission | Opposition/Response to Motion |
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| Date | 12/02/2010 |
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UNITED STATES PATENT AND TRADEMARK OFFICE
TRADEMARK TRIAL AND APPEAL BOARD

| | | |
|---|---|---|
| COUNTRY FARE LLC, | ) | |
| Petitioner | ) | |
| | ) | Cancellation No. 92052958 |
| v. | ) | |
| | ) | Registration No. 2866756 |
| LUCERNE FARMS | ) | |
| Registrant | ) | |

**LUCERNE FARMS' OPPOSITION TO**
**COUNTRY FARE'S PETITION TO DISQUALIFY**

Rather than litigate the merits of Registrant Lucerne Farms' ("Lucerne's") pending motion to dismiss (Doc. No. 4), Petitioner Country Fare LLC ("Country Fare") has chosen to attack Lucerne's counsel by filing a motion to disqualify ("Motion") (Doc. No. 7) Lucerne's law firm, Brann & Isaacson ("B&I"), from representing it. Under Country Fare's interpretation of the Trademark Trial and Appeal Board's ("Board's") Rule of Practice in Trademark Cases ("Rule") 10.63, a law firm that represented a client during registration proceedings could never defend that client in subsequent litigation alleging fraudulent registration. Under this regime, simply by filing a motion to disqualify and claiming that trademark counsel would be a necessary witness, a petitioner could guarantee disqualification of opposing counsel. Because that result is neither contemplated nor required by the rule, and because Country Fare has failed to meet its heavy burden of proof, Country Fare's Motion should be denied.

**BACKGROUND**

Country Fare's Motion is, at best, premature, and at worst, a cynical ploy to drive up Lucerne's costs and distract the Board's attention from the merits of Lucerne's pending motion to dismiss. As

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Country Fare has not yet established that it has stated a valid claim to relief, much less established any factual basis for its allegations of fraud, Country Fare simply cannot at this early juncture demonstrate that B&I attorney Kevin Haley's testimony will be necessary to either party, let alone, that such testimony, if needed, would be prejudicial to Lucerne. Because of the nature of Country Fare's factual allegations, however, Lucerne must take a few moments to dispel the misimpressions left by reading Country Fare's petition and motion.

As a threshold matter, Lucerne contends that its pending motion to dismiss will dispose of this case on the pleadings—County Fare has simply not stated sufficient facts to state a claim of fraudulent registration. Were this case to proceed, however, Lucerne submits that it would develop the following facts through witnesses directly affiliated with Lucerne and Country Fare without any need for Mr. Haley's testimony:

- The products later sold under the Mainely Mulch mark were jointly developed by Lucerne and Country Fare;
- Country Fare did not and does not own the products marketed using the Mainely Mulch mark to the exclusion of Lucerne;
- Country Fare did not and does not have a prior, exclusive, or superior claim to ownership of the Mainely Mulch mark;
- Lucerne and Country Fare did not enter any agreement that established or memorialized that Country Fare had a prior, exclusive, or superior claim to ownership of the Mainely Mulch mark;


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- Lucerne did not know, and could not have known, at the time it registered the Mainely Mulch mark that Country Fare had a prior, exclusive, or superior claim to ownership of the mark, because Country Fare did not, and does not, have such a claim.
- Lucerne did not doctor any specimen submitted to the United States Patent and Trademark Office ("PTO") in connection with the registration of the Mainely Mulch mark;
- Lucerne did not submit any specimen to the PTO with the intent to mislead the PTO;
- Lucerne was (and has been) using the Mainely Mulch mark in commerce.

In sum, facts known to witnesses directly associated with Lucerne and Country Fare will demonstrate that Lucerne did not fraudulently register the Mainely Mulch mark, as alleged by Country Fare. For present purposes, these relevant facts can all be established (one way or another) by witnesses and other evidence associated directly with the parties, without the need for any attorney testimony. In other words, neither party's case depends on the testimony of Mr. Haley; and Lucerne has no plans to rely on such testimony. Accordingly, there is no reason why B&I cannot represent Lucerne in this matter.

**ARGUMENT**

"Motions to disqualify counsel are strongly disfavored." *Visa U.S.A., Inc. v. First Data Corp.*, 241 F. Supp. 2d 1100, 1104 (N.D. Cal. 2003) (trademark case). "[S]uch motions should be viewed with extreme caution for they can be misused as techniques of harassment." *Freeman v. Chicago Musical Instrument Co.*, 689 F.2d 715, 721 (7th Cir. 1982) (brackets added). "The cost and inconvenience to clients and the judicial system from misuse of the rules for tactical purposes is significant." *Optyl Eyewear Fashion Int'l Corp. v. Style Cos., Ltd.*, 760 F.2d 1045, 1050 (9th Cir. 1985) (citation omitted). Because

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motions to disqualify can be misused for purposes of delay, to impose additional expense on an opposing party, and to interfere with an existing attorney–client relationship, motions to disqualify are "subjected to a higher standard of proof." *Merck Eprova AG v. ProThera, Inc.*, 670 F. Supp. 2d 201, 207 (S.D.N.Y. 2009) (collecting cases); *see Optyl Eyewear*, 760 F.2d at 1050 ("Because of this potential for abuse, disqualification motions should be subjected to particularly strict judicial scrutiny.") (quotation omitted).

These general principles apply to the interpretation and application of Rule 10.63. Rule 10.63 "closely parallels Disciplinary Rules 5–102(A) and (B) of the ABA Model Code of Professional Responsibility (1980)." *Little Caesar Enters., Inc. v. Domino's Pizza, Inc.*, 11 U.S.P.Q.2d 1233, 1989 WL 297868, *2 (Comm'r Pat. & Trademarks 1989). The rule "'was not designed to permit a lawyer to call opposing counsel as a witness and thereby disqualify him as counsel.'" *Little Caesar*, 1989 WL 297868 at *2 (quoting ABA Code, Canon 5, n.31). As Country Fare acknowledges, Country Fare "bears the burden of demonstrating specifically how and as to what issue in the case prejudice may occur and that the likelihood of prejudice occurring is substantial." Motion at 4 (quoting *Summagraphics Corp. v. Sanders Assocs., Inc.*, 19 U.S.P.Q.2d 1859, 1861 (D. Conn. 1991) (internal citation omitted)). Country Fare offers too little, too early to meet its enhanced burden.

Rule 10.63 requires withdrawal under two circumstances, neither of which is present here. "In determining whether or not disqualification is required, the principal considerations under 37 C.F.R. §§ 10.63(a) and (b) are '(1) whether the attorney ought to be called to testify on behalf of his client, … or (2) whether the attorney may be called other than on behalf of his client and his testimony is or may be prejudicial to the client.'" *Little Caesar*, 1989 WL 297868 at *2 (quoting *Optyl Eyewear*, 760 F.2d at 1048) (ellipsis in original). Put differently, Country Fare must prove either that Lucerne needs to call

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