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SUPREME COURT, U.S.

IN THE  
**Supreme Court of the United States**

ROSENQUIST-GESTAO E SERVICOS LDA,

*Petitioner,*

—against—

VIRGIN ENTERPRISES LIMITED,

*Respondent.*

ON PETITION FOR A WRIT OF CERTIORARI TO THE  
UNITED STATES COURT OF APPEALS  
FOR THE FOURTH CIRCUIT

**BRIEF IN OPPOSITION**

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## QUESTION PRESENTED

Petitioner is the applicant party in a trademark opposition case entitled *Virgin Enterprises Ltd. v. Rosenruist-Gestao E Servicos Sociedade Unipessoal LDA*, No. 91161535, which is currently pending before the United States Trademark Trial and Appeal Board of the United States Patent and Trademark Office (the "Opposition Case"). In the proceedings below, the Petitioner was served with a subpoena in Arlington, Virginia and commanded to appear for a trial testimony deposition in the Opposition Case, but Petitioner refused to appear for deposition even though (i) Petitioner is making the claim whose validity is the subject of the Opposition Case, and (ii) Petitioner has appeared in, taken discovery in, filed motions in, opposed summary judgment in, and extensively cross-examined Respondent's witnesses at the trial of the Opposition Case.

The question presented is: whether the Fourth Circuit correctly held, in the particular and unusual circumstances of this case, that the district court "should have granted VEL's motion to compel" (Pet. App. 14a) and ordered this Petitioner to appear for a trial testimony deposition in the Opposition Case.

## **CORPORATE DISCLOSURE STATEMENT**

Respondent ("VEL") is an indirect wholly-owned subsidiary of Virgin Group Holdings Limited, a corporation existing under the laws of The British Virgin Islands.

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## STATEMENT OF THE CASE

This case relates to a trademark opposition case entitled *Virgin Enterprises Ltd. v. Rosenruist-Gestao E Servicos Sociedade Unipessoal LDA*, No. 91161535 (the "Opposition Case"), which is currently pending before the United States Trademark Trial and Appeal Board ("TTAB") of the United States Patent and Trademark Office (the "PTO"). The events that gave rise to the Opposition Case are accurately described in the Fourth Circuit opinion below (Pet. App. 2a-5a) and are summarized briefly here.

### The Petitioner's Application

On or about December 30, 2002, the Petitioner, acting through representatives located in Arlington, Virginia, transmitted to the PTO in Alexandria, Virginia, a written application for issuance of a United States registration of VIRGIN GORDA as a trademark purportedly owned by Petitioner (the "Application"; see C.A. App. 46-48). The Application was subsequently assigned Serial No. 76/479620 by the PTO. *Id.*

In its Application, the Petitioner claimed that it was entitled to exclude Respondent and all others from using VIRGIN GORDA, or any mark that was confusingly similar to VIRGIN GORDA, on or in connection with numerous and diverse categories of goods ranging from "umbrellas" to "trunks" to "bomber jackets" to "shoes" (C.A. App. 46-48). The basis of the Petitioner's claim was a sworn (and highly implausible) statement that Petitioner purportedly had a "bona fide intention to use the mark in commerce" (15 U.S.C. § 1051(b)(3)(B)) on or in

connection with each and every one of the numerous and diverse categories of goods that were listed in the Application. *Id.*<sup>1</sup>

By filing the Application and furnishing the PTO with a sworn declaration of “bona fide intention to use the mark in commerce,” 15 U.S.C. § 1051(b)(3)(B), the Petitioner purposefully availed itself of various benefits of United States federal trademark law, including the provisional “right of priority, nationwide in effect,” that flows from the filing of a properly supported application for trademark registration, 15 U.S.C. § 1057(c), and the various procedural and substantive rights that United States federal trademark law confers on applicants for registration in adversarial proceedings that test the merits of claimed rights to registration, including opposition proceedings commenced under 15 U.S.C. § 1063.

#### **Petitioner Appoints Representatives and Submits to Jurisdiction in the United States**

As part of its Application, the Petitioner granted broad powers of attorney to various individuals with addresses in Arlington, Virginia, who were author-

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<sup>1</sup> The implausibility that Petitioner could have had the claimed “bona fide intention to use the mark in commerce” (15 U.S.C. § 1051(b)(3)(B)) on each and every one of the numerous and diverse categories of goods that were listed in the Application, *cf. Medinol Ltd. v. Neuro Vasx Inc.*, 67 U.S.P.Q.2d 1205 (T.T.A.B. 2003) (canceling registration where applicant falsely claimed use of mark to identify all goods listed in application), would appear to explain the Petitioner’s relentless and costly efforts to seek to evade giving any deposition upon oral examination in the Opposition Case.

ized by Petitioner "to prosecute this application for registration, with full power of substitution and revocation, to transact all business in the United States Patent and Trademark Office in connection therewith, and to receive the Certificate of Registration" (C.A. App. 47). Those same individuals were expressly "designated Applicant's representative[s] upon whom notices or process in proceedings affecting this mark may be served." *Id.*

The Petitioner's designation of persons resident in the United States "upon whom notices and process in proceedings affecting this mark may be served" (C.A. App. 47, 52) was made in fulfillment of a legal requirement that 15 U.S.C. § 1051(e) has long imposed on alien applicants for registration of United States trademarks and service marks. The statute ensures that in the event that an alien's claim of right to registration is contested, there is at least one court of the United States where the alien applicant is subject to jurisdiction and can be compelled to make discovery and otherwise justify its claim.<sup>2</sup>

Had Petitioner failed to designate a person resident in the United States upon whom process could be served in proceedings affecting the applied-for mark, the Petitioner would have been automatically

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<sup>2</sup> Cf. *Mississippi Pub. Corp. v. Murphree*, 326 U.S. 438, 442 (1946) ("By consenting to service of process upon its agent residing in the southern district, petitioner rendered itself 'present' there for purposes of service"); *Neirbo v. Bethlehem Shipbuilding Corp.*, 308 U.S. 165, 175 (1939) (by designating an agent for service of process in a state, the respondent gave "actual consent" to being sued in the courts of the state, federal as well as state).

deemed, by statute, to have appointed the Director of the PTO as Petitioner's agent for service of process in proceedings affecting the applied-for mark. *See* 15 U.S.C. § 1051(e).

### **Petitioner Prosecutes the Application Through United States Representatives**

In a communication dated July 23, 2003, and addressed to one of Petitioner's Virginia-based representatives, the PTO initially rejected the Petitioner's claim of right to registration of VIRGIN GORDA on the basis that the proposed mark appeared to be primarily geographically misdescriptive of the origin of the goods that Petitioner had listed in the Application, and further, that the Petitioner's claim of intent to use VIRGIN GORDA on "bags" was impermissibly indefinite (C.A. App. 56-59). Petitioner responded to the PTO's rejection through its Virginia-based representatives (C.A. App. 61-69).

On the issue of what particular types of "bags" Petitioner allegedly intended to distribute in United States commerce under the mark VIRGIN GORDA, Petitioner's Virginia-based representatives amended the Application so that it recited, as the "goods" on which Petitioner purportedly had a "bona fide intention to use the mark in commerce," the following: "all-purpose athletic bags, beach bags, book bags, carry-on bags, gym bags, leather shopping bags, overnight bags, shoulder bags, tote bags and cosmetic bags sold empty; purses, coin-purses, pocket wallets, traveling bags, trunks, make-up bags, empty vanity cases, briefcases, umbrellas, handbags" (C.A. App. 62). "This amendment," Petitioner told the PTO through its Virginia-based representatives,

purportedly “clarifie[d] the identification of goods to reflect the true nature and character of the goods provided in connection with the VIRGIN GORDA mark.” *Id.*

On the issue of whether VIRGIN GORDA was primarily geographically misdescriptive of the originally named and newly added goods recited in the Application, Petitioner’s Virginia-based representatives asserted to the PTO that “most Americans” would not be “aware” of a “remote island” named “Virgin Gorda” (C.A. App. 64). Petitioner’s Virginia-based representatives further asserted to the PTO: “The island of Virgin Gorda is not known for producing the goods identified in this application” (C.A. App. 63). Finally, Petitioner’s Virginia-based representatives asserted that some unspecified number of United States consumers of the listed goods were Spanish-speaking and so would understand that the word “gorda” meant “fat” in Spanish (C.A. App. 64).

Based on Petitioner’s various factual assertions as described above, the PTO was persuaded to withdraw its rejection of the Application (C.A. App. 67-68) and to publish the Application for opposition in the Official Gazette of the PTO, which publication occurred June 1, 2004 (C.A. App. 70). On July 29, 2004, Respondent timely filed a Notice of Opposition under 15 U.S.C. § 1063 (C.A. App. 72-78). The PTO then instituted the Opposition Case entitled *Virgin Enterprises Ltd. v. Rosenruist-Gestao E Servicos Sociedade Unipessoal LDA*, No. 91161535 (T.T.A.B., filed Jul. 29, 2004). See C.A. App. 86-87.

In the thirteen (13) months between July 2004 and August 2005, the Petitioner (i) served an An-

swer in the Opposition Case, (ii) took discovery in the Opposition Case, (iii) moved to compel further discovery in the Opposition Case, and (iv) successfully opposed a motion for summary judgment in the Opposition Case (C.A. App. 833-34). By Order dated January 9, 2006, the TTAB set the Opposition Case for trial<sup>3</sup> to begin February 14, 2006. *Id.*

**Petitioner Refuses to Appear Voluntarily  
for Deposition in Its Home Country of Portugal**

In anticipation of the commencement of trial in the Opposition Case, Respondent requested that Petitioner voluntarily appear for a trial testimony deposition on oral examination in its home country of Portugal (C.A. App. 43). Petitioner refused (*id.*). Petitioner took the position that if Respondent wanted to cross-examine Petitioner by oral deposition, Respondent would have to (i) seek issuance of letters rogatory addressed to some Portuguese legal authority, and then (ii) hope that the Portuguese legal authority, applying Portuguese law, might be

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<sup>3</sup> Under TTAB rules, “[t]he assignment of testimony periods corresponds to the setting a case for trial in court proceedings,” and “[t]he taking of depositions during the assigned testimony periods corresponds to the trial in court proceedings.” 37 C.F.R. § 2.116(d)-(e). The “trial testimony” of witnesses in opposition proceedings is taken by depositions under 37 C.F.R. § 2.123. Respondent’s original “trial testimony period” in the Opposition Case ran from February 14 through March 15, 2006. The TTAB has since suspended proceedings in the Opposition Case so as to afford Respondent an opportunity to seek compelled deposition testimony from the Petitioner. *See* TTAB Order dated August 7, 2006, and reproduced in the Appendix to this Brief in Opposition.

persuaded to order Petitioner to appear for deposition upon oral examination in Portugal.

On December 12, 2005, Respondent moved the TTAB for an Order compelling Petitioner to appear for a testimonial deposition by oral examination in its home country (C.A. App. 99-134). On January 9, 2006, the TTAB issued an Order (C.A. App. 136-138) explaining that it lacked authority to compel recalcitrant parties to appear for deposition in any jurisdiction, foreign or domestic; however, the TTAB noted that a recalcitrant party to an opposition proceeding could be compelled to attend a deposition in the United States "by subpoena issued by a United States district court" (C.A. App. 137). That was the course that Respondent then took.

**Petitioner Is Subpoenaed to  
Appear for Deposition in the United States**

On January 31, 2006, Respondent served one of Petitioner's designated domestic representatives in Arlington, Virginia with a deposition subpoena issued under 35 U.S.C. § 24 (C.A. App. 140-142). The subpoena was addressed to Petitioner, the corporation, as authorized by Federal Rule of Civil Procedure 30(b)(6), which provides in pertinent part:

A party may in the party's notice and in a subpoena name as the deponent a public or private corporation or a partnership or association or governmental agency and describe with a reasonable particularity the matters on which examination is requested. In that event, the organization so named shall designate one or more officers, directors, or manag-

ing agents, or other persons who consent to testify on its behalf and may set forth for each person designated the matters on which the person will testify. A subpoena shall advise a non-party organization of its duty to make such a designation. The person so designated shall testify as to matters known or reasonably available to the organization.

The subpoena commanded Petitioner to appear at a location in McClean, Virginia, "to testify at the taking of a deposition in the above case by a person having most knowledge of the matters set forth in Schedule A" to the subpoena (C.A. App. 140). Schedule A of the subpoena identified the following matters on which examination of Petitioner was requested (C.A. App. 142):

1. The factual representations made in United States Application No. 76/479620 filed December 30, 2002 (the "Application").
2. The extent to which United States purchasers of the goods identified in the Application are aware of an island named "Virgin Gorda."
3. The extent to which United States purchasers of the goods identified in the Application are aware of the Spanish language meaning of the word "gorda."

#### **Petitioner's Motion to Quash**

On February 8, 2006, Petitioner filed a paper in the district court styled "MOTION OF ROSENRU-IST-GESTAO E SERVICOS LDA TO QUASH SUB-



POENA" (C.A. App. 8-27). Petitioner argued that the district court should issue an Order quashing the subpoena on the basis that (i) service of the subpoena on Petitioner's domestic representative under 15 U.S.C. § 1051(e) purportedly was not valid service on Petitioner; (ii) the subpoena was accompanied by only the statutory witness attendance fee of \$75.00; and (iii) enforcement of the subpoena purportedly would "violate the sovereignty of another nation" (C.A. App. 9-10). Petitioner additionally sought monetary sanctions against Respondent (C.A. App. 11).

Importantly, the Petitioner did not advance or support any ground for quashing the subpoena that was available to Petitioner under Federal Rule of Civil Procedure 45(c)(3)(A). See C.A. App. 183 ("nor does it appear to be contesting the validity of the Subpoena upon any of the grounds listed in Rule 45(c)(3)(A) for which a Court shall modify or quash a subpoena"). The Petitioner also did not offer to appear voluntarily for deposition in any location, at any time, or under any proposed terms or conditions.<sup>4</sup>

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<sup>4</sup> It is difficult to overstate just how unusual Petitioner's posture in this case is. Ordinarily, when a party or deponent objects to the location of a deposition and proposes that it be taken in a foreign country, the objecting party bears the burden of demonstrating that the foreign location is both available and more convenient than the noticed location. *E.g.*, *Triple Crown Am. Inc. v. Biosynth AG*, 1998 U.S. Dist. LEXIS 6117, at \*10 (E.D. Pa. Apr. 30, 1998); *Doster v. Carl Schenk A.G.*, 141 F.R.D. 50, 51-52 (M.D.N.C. 1991). Here, the Petitioner did not even attempt to demonstrate that Portugal was a more convenient or appropriate locate for its deposition, for as noted above, the Pe-

On March 2, 2006, a Magistrate Judge issued an Order denying Petitioner's motion to quash in its entirety (C.A. App. 178-186.) The Magistrate Judge's Order stated in part: "VEL followed the appropriate procedures outlined in the relevant statutes, thus the subpoena was properly issued by this Court. The Court also finds that the service of the subpoena on Rosenruist's 15 U.S.C. 1051(e) designee was valid. . . . For the reasons set forth in this memorandum, it is ORDERED that Rosenruist's Motion to Quash Subpoena (Dkt. No.1) is hereby DENIED." C.A. App. 181-83.

On March 9, 2006, Petitioner filed objections to the above-quoted Order of the Magistrate Judge pursuant to Federal Rule of Civil Procedure 72(a) (C.A. App. 187-189). On April 10, 2006, the district court denied Petitioner's Rule 72(a) objections in all respects (C.A. App. 412). Petitioner took no appeal from the district court's denial of its motion to quash the subpoena at issue in this case.

**Petitioner Is Sanctioned for  
Failing to Attend Its Own Deposition**

Following the Magistrate Judge's denial of Petitioner's motion to quash the subpoena, Respondent re-noticed Petitioner's deposition for March 10, 2006 (see C.A. App. 250-252). Approximately five minutes

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tioner had previously refused Respondent's suggestion that Petitioner appear voluntarily for deposition in its home country (C.A. App. 43). The Petitioner's manifest objective below was to attempt to evade giving an oral deposition anywhere, under any circumstances, even while pressing its claimed right to registration of VIRGIN GORDA in the United States.

before the deposition was to begin, one of Petitioner's United States representatives appeared at the deposition location and announced for the first time that Rosenruist was once again refusing to appear or to produce any person to testify on its behalf (C.A. App. 236).

Respondent then moved for monetary sanctions against Petitioner under Federal Rules of Civil Procedure 37(b) and (d) and 45(e), which motion was granted by Order issued April 6, 2006 (C.A. App. 379). The Magistrate Judge ruled at that time (*id.*):

Virgin Enterprises Limited's Motion for Sanctions (Dkt. no. 18) is hereby **GRANTED**. The Court finds that the award of attorney's fees and costs are appropriate for Rosenruist-Gestao E Servicos LDA's failure to appear for a properly noticed deposition and failure to inform Virgin Enterprises Limited that it would not appear at the deposition prior to the deposition date.

The district court subsequently denied Petitioner's objections to the order awarding sanctions (C.A. App. 844). Petitioner took no appeal from the district court's order awarding sanctions.

### **Respondent's Motion to Compel**

On March 31, 2006, Respondent moved the district court for an Order compelling Petitioner to appear for deposition under pain of contempt sanctions (C.A. App. 344-352). It is this motion whose disposition gave rise to the Fourth Circuit decision below, and whose merits the Petitioner now asks this Court to review.

Following an oral hearing held April 7, 2006, a Magistrate Judge issued an Order that Respondent's motion to compel was "**GRANTED IN PART AND DENIED IN PART**" based on "the specific rulings stated from the bench" (C.A. App. 381). The Magistrate Judge adhered to his prior ruling (C.A. App. 178-186) that Petitioner had been properly served in Arlington, Virginia with a subpoena issued under 35 U.S.C. § 24 and was properly commanded to appear for a trial testimony deposition in the Opposition Case.

Respondent's motion was granted only "in part," however, because the Magistrate Judge ruled that the word "witness," as used in the first sentence of 35 U.S.C. § 24, did not refer to the person *named* in a subpoena invoking Federal Rule of Civil Procedure 30(b)(6), but rather supposedly referred to an individual that a subpoenaed corporation might *designate* to testify on its behalf under Rule 30(b)(6). The Magistrate Judge stated, "I think the witness has to live or reside in this district. *I don't think the corporation is the witness. . . The witness, the witness, not the corporation*, must reside or live in this district" (C.A. App. 393; emphasis added).

Based on this extremely narrow and erroneous interpretation of the statutory term "witness" (which all three members of the Fourth Circuit panel below rejected, *see* Pet. App. 17a-18a, 27a), the Magistrate Judge ruled that Petitioner was required to appear for deposition only if, and to the extent that, its preferred or chosen designees personally "reside[d]" or "live[d]" in the district where Petitioner was served with the subpoena in question. The Magistrate

Judge accordingly directed Petitioner either to appear for deposition or else file a declaration to the effect that Petitioner could not locate any individual who both personally “resided or lived” in the Eastern District of Virginia and who “consented” to testify on Petitioner’s behalf in the Opposition Case (C.A. App. 393).

Petitioner quickly took advantage of the Magistrate Judge’s error. On April 14, 2006, Petitioner filed a paper with the district court in which Petitioner stated that none of its knowledgeable agents “consent[ed]” to testify on Petitioner’s behalf in the Eastern District of Virginia (C.A. App. 414). The Petitioner filed this paper even though just one month previously, the Petitioner through counsel had “attended and participated fully in the testimonial depositions of various VEL officers” (Pet. App. 9a n.3), and had filed multiple motions with the TTAB seeking orders (i) reopening discovery, (ii) imposing sanctions on Respondent, and (iii) striking certain trial testimony proffered by Respondent (C.A. App. 833-34). *See* the Appendix to this Brief.

Respondent timely objected (C.A. App. 428-834) to the Magistrate Judge’s April 7 ruling under Fed. R. Civ. P. 72(a). On May 2, 2006, the district court entered a one-page Order stating that the Magistrate Judge’s order was not “clearly erroneous or contrary to law” (C.A. App. 840).

#### **Respondent’s Appeal to the Fourth Circuit**

On May 10, 2006, Respondent timely appealed to the Fourth Circuit (C.A. App. 841) from the district court’s order entered May 2, 2006, which had

granted-in-part and denied-in-part Respondent's motion to compel filed March 31, 2006. In its appeal to the Fourth Circuit, Respondent raised the questions (i) whether the term "witness," as used in 35 U.S.C. § 24, includes a private corporation that is named in a subpoena as authorized by Federal Rule of Civil Procedure 30(b)(6); (ii) whether a deposition subpoena issued to a corporation under 35 U.S.C. § 24 and Federal Rule of Civil Procedure 30(b)(6) may properly command the corporation to appear and give testimony by individuals who do not personally "reside or live" in the district where the corporation has been served and commanded to appear; and (iii) whether the district court committed legal error in holding that it lacked statutory authority to enforce the terms of the deposition subpoena at issue in this case. Resp. C.A. Br. at 6.

Lacking any basis for defending the district court's order entered May 2, 2006, the Petitioner's brief to the Fourth Circuit attempted to renew its original, and manifestly frivolous, arguments (e.g., "It is a recognized principal of international law that non-resident aliens may not be compelled to appear in a foreign district to give deposition testimony"; Resp. C.A. Br. at 21) for why service of a subpoena on Petitioner's statutory agent for service of process in the United States was purportedly ineffective to require Petitioner to do anything at all. Petitioner did not, however, file any notice of cross-appeal that would have permitted it to raise these arguments.

### **The Fourth Circuit's Decision**

On December 27, 2007, the Fourth Circuit reversed the District Court's judgment and remanded

for further proceedings. All three members of the panel rejected the district court's ruling that corporations were excluded from the meaning of the term "witness" as used in 35 U.S.C. § 24. The Fourth Circuit panel unanimously concluded that 35 U.S.C. § 24 authorized issuance of subpoenas to corporate deponents under Rule 30(b)(6) of the Federal Rules of Civil Procedure, and that the personal residence of a subpoenaed corporation's chosen or preferred designees was extraneous and irrelevant to the scope of a district court's subpoena power over the subpoenaed corporation itself. *See* Pet. App. 17a-18a, 27a.

Having resolved the issues raised by Respondent's appeal, the Fourth Circuit declined to consider the Petitioner's various arguments for why service of the subpoena on Petitioner's domestic representative under 15 U.S.C. § 1051(e) purportedly was ineffective to require the Petitioner to do anything at all. The Fourth Circuit held that by failing to file a cross-appeal, the Petitioner waived any right it might have had to argue that it was wholly outside the district court's subpoena power on jurisdictional or other grounds (Pet. App. 19a-21a).

The Fourth Circuit further noted that, had Petitioner preserved the issue, the court would have concluded that the Petitioner was a person "being within" the Eastern District of Virginia for purposes of 35 U.S.C. § 24 (Pet. App. 20a n.5) and thus was subject to being subpoenaed "in proceedings affecting the mark" as expressly authorized and contemplated by 15 U.S.C. § 1051(e). In view of the various protections afforded to subpoenaed persons by Federal Rule of Civil Procedure 45(c)(3)(A), the Fourth Cir-

cuit majority found it unnecessary and inappropriate to manipulate the statutory term “being” (35 U.S.C. § 24) as a basis for regulating the exercise of district courts’ undoubted authority over corporate litigants like this Petitioner.

### **REASONS FOR DENYING THE PETITION**

In the more than 100 years of trademark opposition practice in the United States, during which time literally millions of applications for registration have been published for opposition, this appears to be the first case, ever, in which an applicant for registration has attempted to take the position that it can refuse to submit to cross-examination with respect to the purported factual basis of its own claim. If the Fourth Circuit here did something “[f]or the first time” (Pet. at 7) or considered an “issue of apparent first impression” (Pet. at 17), that is merely a sign of just how unusual this Petitioner’s litigation conduct has been.

The Petition for Writ of Certiorari should be denied, because (i) the questions purportedly presented by the Petition are procedurally defaulted; (ii) the questions purportedly presented by the Petition are, in fact, hypothetical questions whose resolution would be irrelevant to the outcome of this case; (iii) the questions purportedly presented by the Petition involve, at most, the correctness of the Fourth Circuit’s application of well-settled law to Petitioner’s wishful mischaracterization of the facts of this case; (iv) the decision below does not conflict with that of any other circuit; and (v) the decision below is clearly correct.



**I. PETITIONER'S FAILURE TO CROSS-  
APPEAL BARS CONSIDERATION  
OF THE QUESTIONS "PRESENTED."**

In orders dated March 2, 2006 (C.A. App. 178-86), April 6, 2006 (C.A. App. 379), and April 12, 2006 (C.A. App. 412), the district court denied Petitioner's motion to quash the subpoena and awarded monetary sanctions in favor of Respondent and against Petitioner. The district court's subsequent order entered May 2, 2006 (C.A. App. 840), from which Respondent alone appealed, presupposed the validity of the subpoena and addressed only the narrow question of whether a subpoenaed corporation's obligations under 35 U.S.C. § 24 and Federal Rules of Civil Procedure 30(b)(6) were limited to producing one or more "natural" persons who personally "live[d]" or "reside[d]" in the district where the corporation was served with process and commanded to appear.

In these circumstances, the Fourth Circuit was clearly correct in holding (Pet. App. 19a-21a) that Petitioner's failure to file a cross-appeal bars consideration of Petitioner's attack on the district court's underlying authority and jurisdiction to command Petitioner to do anything at all. Although an appellee may "urge in support of a decree any matter appearing in the record," *El Paso Natural Gas Co. v. Neztosie*, 526 U.S. 473, 479 (1999), an appellee may not, absent a cross-appeal, challenge a lower court's authority to render a judgment that is partially adverse to the appellee. See *Northwest Airlines, Inc. v. County of Kent, Michigan*, 510 U.S. 355, 365-66 (1994). Stated otherwise, absent a cross-appeal, an appellee may not seek an appellate judgment

“enlarging” the appellee’s rights beyond what a District Court awarded, *El Paso*, 526 U.S. at 479 (quoting *United States v. American Ry. Express Co.*, 265 U.S. 425, 435 (1924)), or granting “a new measure of relief.” *Morley Constr. Co. v. Maryland Cas. Co.*, 300 U.S. 185, 193 (1937).

The Fourth Circuit properly applied these principles here. This Court’s decision in *Northwest* is particularly instructive. In that case, a group of airlines had sued an airport for relief from alleged violations of the federal Anti-Head Tax Act (AHTA). The district court held that there was a private right of action for alleged violations of AHTA, but that the defendant airport had not, in fact, violated the AHTA. The Sixth Circuit similarly held that there was a private right of action for alleged violations of the AHTA, but vacated the district court’s judgment insofar as it had upheld the defendant airport’s allocation of the costs of providing “crash, fire, and rescue (CFR) services.” 510 U.S. at 362. The plaintiffs then petitioned this Court for review of the Sixth Circuit’s judgment. The respondent airport did not file any cross-petition, but nevertheless attempted to argue that the petitioning airlines’ claims should be rejected altogether on the basis that there was no private right of action for alleged violations of the AHTA and the district court, thus, assertedly lacked authority to grant any relief to the *Northwest* petitioners at all. This Court declined to consider the respondent airport’s argument, saying:

A prevailing party need not cross-petition to defend a judgment on any ground properly raised below, so long as that party seeks to

preserve, and not to change, the judgment. . . . A cross-petition is required, however, when the respondent seeks to alter the judgment below. . . . Alteration would be in order if the private right of action question were resolved in favor of the Airport. For then, the entire judgment would be undone, including the portion remanding for reallocation of CFR costs between the Airlines and general aviation. The Airport's failure to file a cross-petition on the CFR issue—the issue on which it was a judgment *loser*—thus leads us to resist the plea to declare the AHTA claim unfit for District Court adjudication.

*Northwest*, 510 U.S. at 364-65.

Both the reasoning and the holding of this Court's *Northwest* decision are directly applicable here. Similarly to how the district court in *Northwest* held that there was a private right of action for alleged violations of the AHTA, the district court here held that this Petitioner was subject to its jurisdiction and was properly served with a subpoena issued under 35 U.S.C. § 24. Similarly to how the airport in *Northwest* attempted to question the district court's authority to grant any relief whatsoever to the complainant airlines, the Petitioner here seeks to challenge the authority of the district court to have commanded the Petitioner to do anything at all in this case.

Having failed to file a cross-appeal to the Fourth Circuit, the Petitioner was barred from arguing to that court (Pet. App. 19a-21a), and is similarly barred from attempting to argue in this Court, that

the district court supposedly lacked jurisdiction over the person of Petitioner or was otherwise without authority to award sanctions or any other relief against Petitioner. This Court in *Northwest* declined to consider, absent a cross-appeal, a challenge to the authority of a court to award relief to a partial judgment loser. It should do the same here and deny the Petition.

## **II. THE QUESTIONS “PRESENTED” ARE NOT, IN FACT, PRESENTED BY THIS CASE.**

Even assuming, for purposes of argument, that the Petitioner could properly ask this Court to review the questions that the Petition purports to present, those questions would not warrant this Court’s review because they are hypothetical questions whose resolution would be irrelevant to the outcome of this case.

Contrary to Petitioner’s suggestion, this case is not one in which a corporation served with a subpoena had “no contact with the United States other than the filing of a trademark application” (Pet. at i) or was ordered to appear for deposition in the United States “solely because it filed a trademark application with the United States Patent and Trademark Office” (Pet. at ii).

The record shows, to the contrary, that this Petitioner’s “contact” with the United States went far, far beyond a mere act of “filing” a “trademark application.” In addition to the “filing of a trademark application” by Petitioner (Pet. at i), the record shows that (i) Petitioner granted broad powers of attorney

to representatives located in Arlington, Virginia; (ii) Petitioner affirmatively prosecuted the subject Application in the United States through Virginia-based representatives; (iii) Petitioner appeared in and served an Answer and other pleadings in the Opposition Case in the United States; (iv) Petitioner sought and received pre-trial discovery from Respondent in the Opposition Case; (v) Petitioner filed multiple motions seeking substantive relief in the Opposition Case; and (vi) Petitioner extensively cross-examined Respondent's witnesses during the trial of the Opposition Case which opened February 14, 2006, and was suspended when Petitioner refused to appear for deposition.

Petitioner's aggressive litigation tactics are reflected in a ten-page Order of the TTAB issued August 7, 2006, disposing of various groundless motions that Petitioner filed in March 2006. *See Virgin Enters. Ltd. v. Rosenruist-Gestao E Servicos Sociedade Unipessoal LDA*, No. 91161535 (T.T.A.B. Aug. 7, 2006) (the "August 2006 Order"). A copy of the August 2006 Order is attached as an Appendix to this Brief in Opposition. It is very telling that the Petition makes no reference to the August 2006 Order.

In its August 2006 Order, the TTAB (i) denied Petitioner's renewed motion to re-open discovery in the Opposition Case and to compel further discovery from Respondent (Resp. App. at 2a); (ii) denied Petitioner's motion to strike the testimonial deposition of Respondent's witness Neil Hobbs (*id.* at 3a-5a); (iii) denied Petitioner's motion for sanctions with respect to the testimonial deposition of VEL witness Kathryn Mollica (*id.* at 5a-7a); and (iv) over Peti-

tioner's opposition, granted Respondent's motion for suspension of proceedings in the Opposition Case so as to afford Respondent an opportunity to seek compelled trial testimony from Petitioner under 35 U.S.C. § 24 (*id.* at 7a-10a).

In sum, the "questions" identified in the Petition are not, in fact, "presented" by this case, because they are addressed to a factual scenario that is not presented by this case and is exceedingly unlikely to be presented by any future case. As a litigant and party to the Opposition Case, this Petitioner has established numerous, purposeful, and extensive contacts with the United States, spanning a period of years, over and above the mere "filing of a trademark application" (Pet. at i) back in December 2002.

### **III. THE QUESTIONS "PRESENTED" ARE PECULIAR TO THIS HIGHLY UNUSUAL CASE.**

Passing over the false premises of the questions identified in the Petition and the Petitioner's lack of standing to raise them, those questions at most concern the correctness of the Fourth Circuit's application of well-settled legal principles to the particular, and highly unusual, circumstances of this particular Petitioner in this particular case. The Court does not sit to review such alleged errors. *See* Sup. Ct. R. 10 ("A petition for a writ of certiorari is rarely granted when the asserted error consists of erroneous factual findings or the misapplication of a properly stated rule of law.").

The language of current 35 U.S.C. § 24 dates back to at least Section 44 of the Act of July 8, 1870,

ch. 230, 16 Stat. 198, 204 (repealed 1952). Yet the Petitioner concedes that questions purportedly “presented” by the Petition are ones “of apparent first impression.” Pet. at 17. The Court can reasonably wonder why, between 1870 and 2006, no court was ever asked to hold that a party to a contested opposition case could properly refuse to appear and be cross-examined with respect to the purported factual basis of its own claim in the case.

If the questions purportedly “presented” in the Petition are ones “of apparent first impression” (Pet. at 17) despite the applicable statute’s 130 years of existence, there is a ready explanation: the Petitioner’s statutory and constitutional arguments are so unusual and meritless that no prior litigant has ever thought to raise them.

#### **IV. THE DECISION BELOW DOES NOT CONFLICT WITH THAT OF ANY OTHER CIRCUIT.**

Petitioner’s assertion that the decision below purportedly conflicts with decisions of other circuits (Pet. at 9-10) is unsupported and erroneous. The cases cited by Petitioner all involved whether 35 U.S.C. § 24 authorized *discovery* in a patent “interference” proceeding that then-applicable PTO rules *disallowed* to the “junior party” seeking the discovery. Those decisions have no bearing on the Fourth Circuit’s decision here.

In contrast with the cited cases, the Respondent here sought *trial testimony* from the Petitioner that applicable PTO rules expressly *permitted*. See 37 C.F.R. §§ 2.116 and 2.123(a). Respondent argued

in the district court, not that PTO rules *disallowed* the trial testimony that Respondent sought from Petitioner, but rather that Respondent should be forced to seek *permitted* trial testimony from Petitioner by means of the costly, cumbersome, and uncertain mechanism of international letters rogatory addressed to some unnamed Portuguese legal authority. The Fourth Circuit was right to reject this argument. See *Societe Nationale Industrielle Aerospatiale v. United States Dist. Court for the S. Dist. of Iowa*, 482 U.S. 522, 539-40 (1987) (holding that the Hague Convention on the Taking of Evidence Abroad in Civil or Commercial Matters “did not deprive the District Court of the jurisdiction it otherwise possessed to order a foreign national party before it to produce evidence physically located within a signature nation”).

35 U.S.C. § 24 exists precisely to facilitate the taking of testimony that PTO rules permit, as here. In this very case, the TTAB was made aware of Respondent’s subpoena of Petitioner; yet far from stating or suggesting that Respondent’s invocation of 35 U.S.C. § 24 was improper or inconsistent with PTO rules, the TTAB stayed proceedings in the Opposition Case so as to permit Respondent to seek compelled trial testimony from Petitioner. See August 2006 Order attached as an Appendix to this Brief in Opposition, at 7a-10a.

#### **V. THE DECISION BELOW IS CLEARLY CORRECT.**

As it did below, the Petitioner urges a series of wholly frivolous arguments for why, as an alien corporation, this Petitioner supposedly was privileged



to ignore the subpoena at issue in this case. Even assuming that the Court were inclined to involve itself in a trial subpoena enforcement dispute having no significance beyond the particular parties and circumstances of this case, the decision below is clearly correct and would not justify this Court's review even on that basis.

Petitioner's assertion that 28 U.S.C. § 1783 has something to do with this case (Pet. at 3-4, 15-16) remains a total mystery. 28 U.S.C. § 1783 authorizes United States courts to issue subpoenas requiring the appearance of "a national or resident of the United States who is in a foreign country." Here, the Petitioner is an alien, not a United States national, and the subpoena in question was served on Petitioner in the United States, not "in a foreign country." The subpoena at issue in this case was not issued on the basis of 28 U.S.C. § 1783. The Petitioner's reliance on 28 U.S.C. § 1783 is so frivolous that the Fourth Circuit did not even mention it in the decision below.

Equally frivolous is Petitioner's assertion that the *Fourth Circuit decision in this case somehow* "intrudes upon the interest of other nations" (Pet. at 12-14). Contrary to Petitioner's suggestion, any person or party served with a subpoena under 35 U.S.C. § 24 is entitled to seek relief from the subpoena on the grounds that it imposes an "undue burden" on the subpoenaed person or party. Fed. R. Civ. P. 45(c)(3)(A)(iv). Petitioner was free at all times to seek relief from the literal command of the subpoena under Rule 45(c)(3)(A), and yet it did not do so. The reason for this is apparent: a person objecting to the

location of a deposition must generally identify an alternative or less burdensome location (*see* p 9 & note 4 *supra*). Here, the Petitioner's manifest objective was to suppress evidence, not to provide it in a more convenient location.

Petitioner's assertion (Pet. at 16-17) that Respondent was required to proceed under the Hague Convention on the Taking of Evidence Abroad in Civil or Commercial Matters (the "Hague Convention") has absolutely no basis in the applicable rules of the PTO (*see* 37 C.F.R. § 1.123)<sup>5</sup> and is directly contrary to this Court's precedents. *See Societe Nationale Industrielle*, 482 U.S. at 539-40 (holding that the Hague Convention "did not deprive the District Court of the jurisdiction it otherwise possessed to order a foreign national party before it to produce evidence physically located within a signature nation"). As the Fourth Circuit correctly observed in this case, "[f]oreign corporations that are subject to the personal jurisdiction of a district court can be

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<sup>5</sup> As it did below, Petitioner falsely characterizes as "rules" of the PTO (Pet. at 9) the contents of a practice manual (the "TBMP") that are expressly not "rules" and do not even purport to provide any authoritative interpretative guidance with regard to 35 U.S.C. § 24 or any other statute, as the Fourth Circuit correctly held (*see* Pet. App. at 22a-23a). The cited manual furthermore says nothing about the scope of a district court's authority to compel an alien trademark applicant to appear for deposition pursuant to Federal Rule of Civil Procedure 30(b)(6). The actual "rules" of the PTO relating to the taking of trial testimony, found in 37 C.F.R. § 2.123, nowhere state or even suggest that a recalcitrant party cannot be subpoenaed to appear and give trial testimony under Federal Rule of Civil Procedure 30(b)(6). The Fourth Circuit correctly so held in this case. *See* Pet. App. at 23a-24a.

and often are required to produce officers, directors, or managing agents – regardless of where such witnesses personally reside – in the United States for a Rule 30(b)(6) deposition.” Pet. App. 17a-18a.

When this Petitioner chose to file and prosecute an application for issuance of a United States trademark registration, Petitioner clearly knew and understood that it was claiming important substantive rights under United States law, to which certain corresponding legal obligations were attached. As a condition of being granted provisional rights under 15 U.S.C. § 1057(c), Petitioner was required to submit to the jurisdiction of United States courts and, if called upon, to comply with process served in “proceedings affecting the mark.” 15 U.S.C. § 1051(e).

If Petitioner does not wish to appear for deposition upon oral examination in the Opposition Case, Petitioner need merely withdraw the Application. But it cannot have it both ways. Petitioner cannot affirmatively press a claimed right to issuance of a United States trademark registration and at the same time refuse to comply with “process in proceedings affecting the mark.” 15 U.S.C. § 1051(e).

**CONCLUSION**

The Petition for Writ of Certiorari should be denied.

Respectfully submitted,

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