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

X/OPEN LIMITED COMPANY

Opposer,

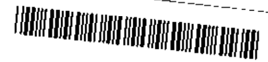
vs.

WAYNE R. GRAY

Applicant.

Opposition No.: 122,524

Application Serial No.: 75/680,034



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APPLICANT'S REPLY TO OPPOSER'S BRIEF IN OPPOSITION TO APPLICANT'S MOTION TO ACCEPT LATE SERVICE OF RESPONSES TO OPPOSER'S DISCOVERY REQUEST

Applicant Wayne R. Gray, by and through the undersigned counsel, respectfully submits this reply to Opposer's Brief in Opposition to Applicant's Motion to Accept Late Service of Responses to Opposer's Discovery Request, and states as follows:

I. Introduction

Opposer seeks to block Applicant's motion to accept late service of discovery responses to Opposer's discovery requests, and thus impede justice through an opposition that relies on a continuing distortion of the facts of this proceeding, non-relevant procedural issues, and an improper argument of the merits of the motion to which it is addressed.

Applicant has submitted that although the service of the responses was indeed late, it was made in good faith and that the circumstances which led to the untimeliness were the result of excusable neglect, and not merely a docketing error or office

breakdown. As a result of the serious collapse of Counsel's office procedural operations in August and September of 2003, the responsible, or more properly, irresponsible, employee was terminated. The circumstances of Applicant's late service of discovery responses are the result of this collapse, and easily exceed the threshold of excusable neglect so as to allow the Board to grant Applicant's motion. In fact, in a recent and totally unrelated TTAB proceeding, Opposer's counsel argued, and the Board agreed, that even an office breakdown resulting in delay meets the threshold of excusable neglect.

II. Argument

Applicant concurs that the standard for determining whether excusable neglect constitutes grounds for relief is as set forth by the Supreme Court in Pioneer Investment Services Company v. Brunswick Associates Ltd. Partnership, 507 U.S. 380 (1993), and adopted by the Board in Pumpkin Ltd. v. The Seed Corps, 43 USPQ2d 1582 (TTAB 1997).

A. Excusable Neglect

Opposer, in its brief in opposition to this motion, at page 5, paragraph 1 argues:

> It is well settled that docketing errors and office breakdowns, regardless of who caused them, do not constitute excusable neglect.

Applicant would agree that "mere" docketing errors and office breakdown do not constitute excusable neglect, however when counsel's employee's malfeasance rises to such a level as occurred here, so as to require termination, then the standard of excusable neglect has been more than met. In contrast to the position he has taken in this opposition, Opposer's counsel believed (and successfully argued) that a mere office

breakdown that apparently did not even rise to the level of internal disciplinary action that results in delay **does** constitute excusable neglect. *See* TTAB Opposition No. 91158681, Monster Cable Products, Inc. v. Tecmo, Ltd. In that proceeding, Opposer's counsel herein, as counsel for Applicant, Tecmo, Ltd., in a motion and brief titled "Motion to Withdraw Abandonment and Litigate Opposition" filed December 23, 2003, at page 2 stated:

> "On November 18, 2003, Monster filed a Notice of Opposition against Tecmo's MONSTER RANCHER application.
>
> On December 8, 2003, the mail room of the undersigned counsel's law firm received Monster's Notice of Opposition. However, the undersigned counsel was not aware of the Notice of Opposition until December 18, 2003 because the notice had not yet been matched with the file. (Raynes Decl. ¶ 7.)
>
> On December 11, 2003, Tecmo expressly abandoned its MONSTER RANCHER application after receiving an objection to the registration of the mark by another party, as set forth in greater detail below." (emphasis added)

TTAB Administrative Trademark Judges Cissel, Walters and Rodgers in their March 3, 2004 decision relating to said motion agreed with argument of counsel for applicant Tecmo (Opposer's counsel herein) that an office delay **does** constitute excusable neglect. Although Tecmo's counsel admitted that his office received opposer Monster's Notice of Opposition on December 8, 2003, the TTAB decided that said delay supports counsel's position that counsel was in fact simply unaware of said Notice of Opposition until December 18, 2003, and at page 5 of this Board's decision it is stated that:

> After reviewing the parties' arguments and submissions, we find that applicant did not receive notification of the opposition proceeding herein prior to filing its unconsented abandonment. Counsel for applicant has submitted declarations attesting that applicant was unaware that this opposition proceeding had commenced when it filed an express

> abandonment of its application. Applicant therefore could not possibly have known to obtain Opposer's consent. Under such circumstances, entering judgment against applicant would be inappropriate; applicant will be allowed to defend against the opposition on its merits (emphasis added).

As in Monster Cable Products, Inc. v. Tecmo, Ltd., Opposer's counsel should agree to accept, and the Board should permit Applicant's late service, of his response to Opposer's Request for Admissions, thereby allowing Applicant to defend against the opposition on its merits.

Opposer further argues that Applicant should have been reminded of Opposer's discovery requests and the pending response deadline upon receipt of Opposer's brief filed August 20, 2003 in opposition to Applicant's motion to extend. Opposer's discovery requests were not at issue and not relevant to Opposer's opposition brief, and Applicant was not aware of this single sentence buried in the last paragraph of the last page of said opposition brief until just pointed out by Opposer.

Although Opposer states that a motion to compel could not have been filed, Opposer made no good faith effort, and in fact made no effort to request, or even discuss Applicant's responses to Opposer's discovery requests prior to Applicant's November 25, 2003 late service of discovery responses, or even prior to this motion.

B. Applicant's Motion Is Timely and Not Prejudicial to Opposer

Opposer's argument that the delay in submitting the admissions and Motion to allow the late filing of said Admissions was prejudicial is specious, at best. As this Board is well aware, this proceeding has been ongoing for some time, and has been continued and delayed numerous times by both parties. The Board has agreed with Applicant in its April 12, 2004 decision to allow Applicant to amend his answer, affirmative defenses,

and counterclaims, that the Unix mark has a very complex history of ownership and transfers. It is only now, that unrelated disputes/events between IBM, Novell, and the SCO Group as alleged in the amended answer, affirmative defenses and counterclaim, are beginning to become relevant, and could have an impact on this proceeding, that Opposer insists on timeliness.

Opposer's reference to Old Nutfield Brewing Co. v. Hudson Valley Brewing Co., 65 USPQ2d 1701 (TTAB 2002) (delay of four months to file motion to reopen, eight weeks of which occurred after movant had knowledge of need to reopen, held significant and prejudicial) is not relevant. Opposer chose not to reveal its intentions concerning Opposer's acceptance or rejection of Applicant's late service of discovery responses and thus the need for a motion such as this was unknown to Applicant. Applicant correctly believed that Opposer's actions indicated the need for a motion to permit acceptance of late discovery responses, and timely filed said motion to permit on January 27, 2004, twenty days after Applicant first believed that the motion might be needed.

C. Applicant's Motion Is Timely and In Good Faith

Opposer again raises the issue that the Board denied Applicant's motion to extend filed on August 11, 2003, a motion that was filed in part due to circumstances relating to the same office procedural operations collapse in August of 2003 discussed herein and an issue that is not relevant to this motion. Applicant has accepted and the Board has acknowledged Applicant's acceptance of the consequences of this unfortunate event.

Applicant absolutely denies Opposer's accusation of a pattern of delay and inference of bad faith. Applicants' motions in these proceedings have been for good cause and not for the mere purpose of delay. As discussed herein, Applicant's late

discovery responses service in this proceeding are related to the circumstances of a serious collapse of Counsel's office operations confined to August and September 2003, which Applicant contends were the result of excusable neglect. Courts recognize bad faith normally as relating to an ulterior motive or sinister purpose or conduct that normally involves something more than simple negligence, none of which relates to Applicant's actions in this proceeding. Applicant believes that Opposer's accusations of a pattern of delay and inference of bad faith are unfounded and inappropriate.

Opposer would also have the Board believe that Applicant's motion to permit late discovery response service filed January 27, 2004 as a response to Opposer's non-response to Applicant's specific inquiry of January 7, 2004 as to the need for said motion, a motion that was filed after a January 15, 2004 joint stipulation to suspend all proceedings pending disposition of other motions, and filed fifteen days prior to the Board's February 11, 2004 proceedings suspension, should also be viewed as an inference of bad faith. Opposer's assertions inferring bad faith are just not credible and appear to employ reasoning that simply defies belief.

IV. Conclusion

Applicant's motion[1] should be granted because it is timely, and if granted, would not be prejudicial to Opposer, is in good faith, and is in the interests of justice to allow Applicant to defend against the opposition on its merits instead of on procedural technicalities. On the other hand, refusal to grant Applicant's motion would extremely

[1] Strictly speaking, the argument on acceptance of late discovery responses applies only to the Requests for Admissions, since the Applicant's responses to Interrogatories and the Request for Production (which resulted in the production of over 2500 pages both in hard copy and in electronic form) has long since been made and the Opposer has long had the benefit of such information without having filed any motion to compel—in fact, the objection to the Admissions responses was made only after Applicant raised that issue. Indeed, Opposer does not claim that it hasn't made use of Applicant's interrogatory responses and produced documents.

prejudice Applicant. As the Board itself has so recently stated in a similar situation (at the request of present Opposer's counsel in the recent Tecmo case (supra):

> Under such circumstances, entering judgment against applicant would be inappropriate; applicant will be allowed to defend against the opposition on its merits.

Wherefore Applicant respectfully requests that an order be entered permitting acceptance of late service of its response to the Request for Admissions.

Respectfully submitted,

David L. Partlow, FBN 239682
Josiah E. Hutton, FBN 793851
David L. Partlow, P.A.
4100 W. Kennedy Blvd., Suite 210
Tampa, FL 33609-2244
(813) 287-8337; FAX (813) 287-8234
Counsel for Applicant

CERTIFICATE OF EXPRESS MAILING

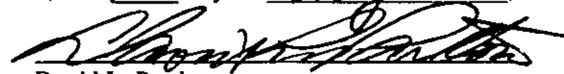
"Express Mail" mailing label number: ER 806612949 US

I hereby certify that this paper or fee is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 CFR 1.10 on the date indicated above and is addressed to the Assistant Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3513 on May 12, 2004.
Date

David L. Partlow

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing document has been furnished by FAX & U.S. Mail to Evan A. Raynes, Esquire, at Finnegan, Henderson, Farabow, Garrett, & Dunner, L.L.P., 1300 I Street, N.W., Washington, D.C. 20005, this 12th day of May, 2004.



David L. Partlow