

**UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451**

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Mailed: November 17, 2004

Opposition No. 91158707

BMG Songs, Inc

v.

Astro America, LLC

Before Walters, Holtzman, and Bottorff, Administrative  
Trademark Judges.

By the Board.

On May 10, 2004, the Board granted opposer's motion (filed February 9, 2004) for default judgment as conceded by applicant and because the Board had not received an answer to the notice of opposition as ordered by the Board in its institution order dated December 8, 2003.

On May 17, 2004, applicant's representative filed a communication with the Board, but did not provide proof of service of the communication on opposer's attorney of record. Thus, on July 13, 2004, the Board forwarded a copy of the communication to opposer and allowed opposer time for filing a response. Opposer filed a response on August 12, 2004.

Applicant's communication is essentially a motion for relief from final default judgment under Fed. R. Civ. P.

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60(b), and the Board considers the motion as a Rule 60(b) motion.<sup>1</sup>

Applicant argues that it "never received" the Board's institution order dated December 8, 2003. Further, applicant maintains that it had terminated the services of Christopher Day, applicant's attorney of record (who was granted a power of attorney by applicant on December 20, 2002) "in June 2003 because he didn't handle the notice of opposition to our satisfaction"; that Mr. Day "did not forward any of the papers your office thinks I failed to respond to"; and that "[h]e did not send anything to my attention other than the opposing attorney's address and their request for an extension of time,<sup>2</sup> which we granted on 2 different occasions." Additionally, applicant contends that its representative called the examining attorney and told the examining attorney that applicant had terminated the services of Mr. Day; and that applicant had a replacement attorney named Joel S. Turtle. According to

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<sup>1</sup> Opposer also considers applicant's communication as a motion under Rule 60(b) for relief from final judgment. See first sentence of opposer's response.

<sup>2</sup> Because the Board file for this proceeding does not reflect that opposer has filed any extensions of time (for example, of the discovery and testimony periods) after the proceeding commenced, we conclude that applicant's reference to "their request for an extension of time" is to opposer's requests for extensions of time to oppose, which opposer filed prior to the commencement of this proceeding. The file for the involved application reflects that opposer had filed several requests for an extension of time to oppose prior to the commencement of this proceeding.

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applicant, opposer's attorney has been "in constant negotiations" with Mr. Turtle in trying to resolve this matter.

In response, opposer maintains that even if Mr. Day failed to forward copies of any notices to applicant, applicant is "bound by his attorney's inaction" because a party is accountable for the acts and omissions of its chosen counsel, citing *Gaylord Entertainment Co. v. Calvin Gilmore Prods, Inc.* 59 USPQ2d 1369 (TTAB 2000) ("[W]e do not believe that opposer should escape the consequences of its failure to maintain adequate communications with its former trademark counsel"). Further, with respect to applicant's contention that he had changed attorneys and that Mr. Turtle was his "replacement attorney," opposer points out that neither applicant nor Mr. Turtle filed a substitute power of attorney or otherwise notified the Board in writing of the alleged change in attorney; and that any verbal notification provided to the Office is ineffective because all communications with the Board are required to be conducted in writing, citing TBMP § 104 (2d ed. rev. 2004). Opposer also points out that it had served its motion for default judgment on both Mr. Day and Mr. Turtle because Mr. Turtle had been involved in negotiations between the parties; that applicant has not submitted a declaration from Mr. Turtle

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stating that he did not receive the motion; and that applicant has not disputed that Mr. Turtle received the motion and failed to respond to the motion.

Fed. R. Civ. P. 60(b) provides for relief from judgment in specified instances and requires that any motion for such relief be made within a "reasonable time," with a one year maximum limitation on motions made pursuant to the first three grounds for relief (mistake, inadvertence, surprise, excusable neglect; newly discovered evidence; or fraud). In this case, applicant filed its Federal Rule 60(b) motion seven days after the Board entered default judgment against applicant. Clearly, the motion was filed within a reasonable time.

Among the factors to be considered in determining a Rule 60(b) motion for relief from default judgment are the following: (1) whether the non-defaulting party will be prejudiced, (2) whether the default was willful, and (3) whether defendant has a meritorious defense. See *Djeredjian v. Kashi Co*, 21 USQP2d 1613 (TTAB 1991). Our primary reviewing court, the Court of Appeals for the Federal Circuit, has advised that "Rule 60(b) is applied most liberally to judgments in default." *Information Systems and Networks Corp. v. United States*, 994 F.2d 792, 795 (Fed. Cir. 1993), quoting *Seven Elves, Inc. v. Eskenazi*, 635 F.2d

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396, 403 (5th Cir. 1981). Each of the three factors identified above are discussed in turn below.

*Prejudice to the Non-Defaulting Party*

While opposer has argued against reopening this case, opposer has not specifically alleged or demonstrated that it would be prejudiced by an order granting relief from the default judgment. We do not discern any prejudice to opposer, aside for the normal delays and expenses that exist in any legal proceeding, if we grant applicant's motion.

*Was Default Willful*

The circumstances outlined by applicant show that its failure to act in this case was not willful, but rather resulted from mistake and inadvertence. Applicant maintains that it had discharged Mr. Day in June 2003, which was prior to the filing of the notice of opposition on November 26, 2003; and that it had informed the examining attorney "on more than one occasion that [applicant] had terminated the services of Mr. Day." Applicant representative evidently was under the mistaken impression that his conversations with the examining attorney regarding applicant's "replacement attorney" would suffice to change "the record" to identify Mr. Turtle as its new attorney of record. However, applicant's representative's verbal statements to the examining attorney properly did not result in a change in the correspondence address in the subject application.

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Trademark Rule 2.191 provides that "[t]he action of the Office will be based exclusively on the written record," and "[a]ll business with the Office should be transacted in writing." Thus, the Office requires a written revocation of a power of attorney granted to an attorney, and applicant should have filed a written revocation of the power of attorney granted to Mr. Day if it no longer wanted Mr. Day to represent applicant in connection with matters relating to the involved trademark application. Applicant itself or its "replacement attorney" would then have been sent the Board's institution order dated December 3, 2003, which enclosed a copy of the notice of opposition. Had it not been for applicant's mistake, applicant would have been informed of the existence of this proceeding and could have defended itself.<sup>3</sup> In view of the foregoing, we find that applicant's default was not willful.

*Meritorious Defense*

The Board typically considers the filing of an answer as evidence of a meritorious defense to the action and as satisfying the third listed factor above. Applicant has not yet filed an answer, but has filed a "response" to the Board's July 13, 2004 order which states applicant's position with respect to the allegations in the notice of

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<sup>3</sup> The Board recognized the revocation of the power of attorney granted to Mr. Day in applicant's Rule 60(b) motion. See Board order dated July 13, 2004.

opposition, namely, that applicant does not "feel that there is any conflict between our two companies." In view of applicant's statement, we conclude that applicant has satisfied the requirement for a meritorious defense against the allegations of the notice of opposition.

Thus, in view of the foregoing, and mindful that "Rule 60(b) is applied most liberally to judgments in default," *Information Systems and Networks Corp., supra*, we find that applicant has shown good cause and deserves relief from the Board's order of default judgment.<sup>4</sup> Applicant's motion for relief from final judgment is hence granted and the Board's order dated May 10, 2004 entering default judgment is vacated. A copy of the notice of opposition is enclosed with this order, and applicant is allowed until **thirty days** from the mailing date of this order to serve and file a formal answer to the notice of opposition.

*Discovery and Testimony Periods*

Proceedings are considered resumed, and the discovery and testimony periods are reset as follows:

DISCOVERY TO CLOSE:	June 1, 2005
30-day testimony period for party in position of plaintiff to close:	August 30, 2005
30-day testimony period for party in position of defendant to close:	October 29, 2005

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<sup>4</sup> We have considered all of opposer's arguments against finding good cause, but have not found them persuasive.

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15-day rebuttal testimony period  
to close:

December 13, 2005

IN EACH INSTANCE, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party WITHIN THIRTY DAYS after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

*Representation in This Proceeding*

While applicant maintains that it has a "replacement attorney," applicant's representative filed applicant's Rule 60(b) motion. Thus, applicant is ordered to inform the Board whether it will proceed pro se or with the assistance of an attorney within **twenty days** from the mailing date of this order. If applicant informs the Board that it will be represented by an attorney, applicant is also ordered to file a change of correspondence address for applicant within **twenty days** from the mailing date of this order, to designate its attorney's address as the correspondence address for applicant. See Trademark Rule. 2.18.

If applicant intends to proceed pro se in this case, applicant is advised of the following.

Trademark Rule 2.119(a) and (b) require that every paper filed in the Patent and Trademark Office in a proceeding before the Board must be served upon the attorney

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for the other party, or on the party if there is no attorney, and proof of such service must be made before the paper will be considered by the Board. Consequently, copies of all papers which applicant may subsequently file in this proceeding must be accompanied by a signed statement indicating the date and manner in which such service was made. The statement, whether attached to or appearing on the paper when filed, will be accepted as prima facie proof of service.

It is recommended that applicant review the Trademark Rules of Practice, which is available for a fee from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or on the Internet at <http://www.uspto.gov/web/offices/tac/tmlaw2.html>.

Strict compliance with the Trademark Rules of Practice and where applicable, the Federal Rules of Civil Procedure, is expected of all parties before the Board, whether or not they are represented by counsel.<sup>5</sup>

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<sup>5</sup> The Trademark Trial and Appeal Board Manual of Procedure (TBMP) (Stock No. 903-022-00000-1) is available for a fee from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. (Telephone (202) 512-1800). The TBMP is also available on the Internet at <http://www.uspto.gov>.