

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

MBA

Mailed: July 14, 2008

Opposition No. 91174297

Brandstorm Incorporated

v.

Freelife International, LLC

Before Seeherman, Grendel and Kuhlke, Administrative Trademark Judges

By the Board:

On March 15, 2007, the Board granted, as conceded, applicant's motion to dismiss the notice of opposition for failure to state a claim upon which relief may be granted. Trademark Rule 2.127(a). This case now comes up for consideration of opposer's motion, filed April 13, 2007, to reopen its time to file a response to applicant's motion to dismiss. Applicant opposes the motion.¹

Background

Applicant filed an application to register FREELIFE HIMALAYAN GOJI, with HIMALAYAN GOJI disclaimed, for beverages in Class 32.² Opposer filed a notice of opposition against the

¹ The Board regrets the delay in acting on the motion.

² Application Serial No. 78857705.

application, alleging that registration should be denied because applicant's mark is "merely descriptive." Specifically, opposer claims that "goji" is a type of berry and an ingredient in applicant's juice products, and that "Himalayan" is primarily geographically descriptive of the origin of applicant's goods. Opposer alleges that it has standing to oppose the application because applicant sent cease and desist letters to opposer, challenging opposer's use of HIMALANIA for products containing goji. In its motion to dismiss, applicant claimed that the notice of opposition fails to state a claim upon which relief may be granted because opposer failed to adequately allege standing or to "state any specific grounds for its opposition."

The parties have been involved in two other Board proceedings brought by opposer against applicant, which involve marks related to the one at issue in this proceeding. In fact, in each of those other proceedings, opposer filed notices of opposition virtually identical to its notice of opposition in this proceeding, and applicant filed motions to dismiss for failure to state a claim upon which relief may be granted which are virtually identical to applicant's motion to dismiss in this proceeding. Specifically, in Opposition No. 91174812, which is in a procedural posture virtually identical to this one, applicant filed a motion to dismiss on February 2, 2007, which was granted as conceded on March 15, 2007, and opposer filed its

motion to reopen time to respond to the motion to dismiss in that proceeding on April 13, 2007. In Opposition No. 91176803, applicant filed its motion to dismiss on May 23, 2007, and after the motion was fully briefed, it was granted on the merits in an order issued on May 30, 2008.

Opposer's Motion

By its motion to reopen in this proceeding, opposer claims that its failure to respond to the motion to dismiss was a result of excusable neglect. Opposer "seeks an opportunity to file a reply to the Applicant's motion to dismiss the opposition for lack of standing and failure to state a claim."

In support of its motion, opposer indicates that this proceeding, and Opposition Nos. 91174812 and 91176803,³ involve similar or identical issues, and suggests that judicial economy would therefore be served by reopening opposer's time to respond to the motion to dismiss in this proceeding. "Opposer believes the Board can adjudicate all three oppositions together because the trademarks are either identical or similar, the parties are exactly the same and Opposer's arguments apply to all three oppositions."

³ At the time opposer filed its motion to reopen in this proceeding, it had not yet filed Opposition No. 91176803 against applicant's application Serial No. 76652196. However, opposer stated its intention to do so in its motion to reopen. The application opposed in Opposition No. 91176803 was published for opposition on April 10, 2007, and opposer filed its notice of opposition in that proceeding on April 17, 2007.

Opposer further claims that it has acted in good faith in this proceeding, that it has meritorious grounds for opposition and that applicant's motion "lacks merit." According to opposer, applicant would not be prejudiced by reopening opposer's time to respond to the motion to dismiss because "Opposer's delay has not resulted in a loss or unavailability of evidence for the Applicant," and because this proceeding is in its early stages.

Finally, opposer asserts that its failure to respond to the motion to dismiss was "due to the misunderstanding that the proceedings in this opposition were suspended pending the disposition of Applicant's motion to dismiss." While the basis for opposer's admitted misunderstanding is not entirely clear, opposer points out that on January 22, 2007, the Board suspended this proceeding, pending a decision on applicant's motion to dismiss. Opposer claims that it contacted the Board on March 15, 2007 concerning the status of the instant proceeding, and was told that this proceeding and Opposition No. 91174812 would be assigned to the same Board attorney. Opposer claims that it then informed a Board attorney, on that same day, that it would file a response to the motion to dismiss in this proceeding. Nevertheless, applicant's motion in this proceeding was granted as conceded that day, apparently before opposer had a chance to file its response to the motion to dismiss.

In its response to the motion to reopen, applicant contends that opposer's "failure to understand unambiguous procedural rules does not constitute excusable neglect." With respect to the January 22, 2007 suspension order, applicant points out that "there was nothing indicating that Opposer was not obligated to file a response to the Motion to Dismiss." Applicant contends that opposer's "'misunderstanding' was wholly within Opposer's reasonable control," because if opposer was unclear regarding the meaning of the suspension order, it could have reviewed the Trademark Trial and Appeal Board Manual of Procedure ("TBMP") or contacted the Board, but opposer "failed to take any such action to clarify its understanding until more than several weeks after its response to the Motion to Dismiss was due."

Applicant further argues that opposer's stated intention to file a notice of opposition in what became Opposition No. 91176803 does not excuse opposer's failure to file a response to applicant's motion to dismiss in this proceeding, because opposer's response to the motion to dismiss in this proceeding was due over two months before the mark at issue in Opposition No. 91176803 was even published for opposition. Finally, applicant argues that opposer "has offered the Board no more than conclusory statements alleging that the Motion to Dismiss lacked merit."

In its reply brief, opposer asserts that it has valid grounds for opposing the motion to dismiss, claiming that it has standing by virtue of being "engaged in the sale of the same or related products or services," to those of applicant. Although opposer does not plead likelihood of confusion in its notice of opposition, opposer claims that it "can show not only that the opportunity for confusion exists, but that actual confusion has occurred." Opposer claims that applicant's response to the motion to reopen fails to address opposer's arguments regarding the lack of prejudice to applicant, the short delay caused by opposer's failure to respond to the motion to dismiss or opposer's alleged good faith. Opposer does not, however, further explain the reason for its failure to respond to the motion to dismiss.

Because final judgment has been entered in this case, we construe opposer's motion as a combined motion for relief from judgment under Fed. R. Civ. P. 60(b) and to reopen an expired time period under Fed. R. Civ. P. 6. In this case, the applicable provision of Rule 60(b) would be excusable neglect under Rule 60(b)(1) which is essentially the same as the excusable neglect standard under Rule 6 with the added timeliness element. We further note that relief from final judgment is an extraordinary remedy to be granted only in exceptional circumstances. TBMP § 544 (2d ed. rev. 2004).

Inasmuch as the motion was filed within thirty days of the final judgment we find that the motion was filed within a reasonable time. However, as discussed below we find that opposer has not established the necessary excusable neglect to warrant setting aside the final decision and reopening its time to respond to the motion to dismiss.

In Pioneer Investment Services Company v. Brunswick Associates Limited Partnership, 507 U.S. 380, 395 (1993), the Supreme Court set forth four factors to be considered in determining excusable neglect. Those factors are: (1) the danger of prejudice to the non-moving party; (2) the length of delay and its potential impact on judicial proceedings; (3) the reason for the delay, including whether it was within the reasonable control of the moving party; and, (4) whether the moving party has acted in good faith. In subsequent applications of this test by the Circuit Courts of Appeal, several courts have stated that the third factor may be considered the most important factor in a particular case. See Pumpkin Ltd v. The Seed Corps, 43 USPQ2d 1582, 1586 at fn. 7 (TTAB 1997).

Turning to the third and most important factor first, we find that the reason for opposer's delay - its purported misunderstanding of the suspension order - was within opposer's reasonable control and does not establish excusable neglect. As applicant points out, "there was nothing indicating that Opposer

was not obligated to file a response to the Motion to Dismiss.” Opposer’s reply brief utterly fails to address this argument, or to better explain the reason for opposer’s delay, despite opposer’s being put on notice of applicant’s contentions. Opposer’s purported interpretation of the suspension order was simply incorrect. That is, opposer appears to believe that the order made a response to the motion to dismiss unnecessary. That interpretation is contradicted by the order itself, and the Trademark Rule cited therein. The suspension order provides that “[a]ny paper filed during the pendency of this motion, which is not relevant thereto, will be given no consideration. See Trademark Rule 2.127(d).” Trademark Rule 2.127(d), in turn, provides that where a motion to dismiss is filed, “the case will be suspended by the Trademark Trial and Appeal Board with respect to all matters not germane to the motion and no party should file any paper which is not germane to the motion …” (emphasis supplied). Therefore, the suspension order does not excuse opposer’s failure to file a timely response to the motion to dismiss, which is the reason the suspension order issued in the first place.⁴ See, generally, PolyJohn Enterprises Corp. v. 1-800-Toilets Inc., 61 USPQ2d 1860, 1861 (TTAB 2002) (finding no

⁴ We must note that if opposer’s interpretation were correct, dispositive motions would never be fully briefed or decided, and a large percentage of contested Board proceedings would grind to a halt and remain in limbo indefinitely. Such a strained interpretation of the suspension order is not reasonable.

excusable neglect in part because "professed understanding" which "stands in stark contrast to the clear requirements" in a rule is without basis). Quite simply, opposer's explanation of the reason for its delay does not establish that opposer's neglect was excusable.

Turning next to the remaining factors, we find that the first and fourth factors weigh in opposer's favor because applicant has not shown that it would be prejudiced by reopening opposer's time to respond to the motion to dismiss, and there is no evidence that opposer has acted in anything other than good faith. With regard to the second factor, we do not find that the delay in filing the motion was inordinate, since opposer filed its motion within thirty days of the final decision, and we therefore find this factor to be neutral. Weighing all of the factors together, and placing increased weight on the third factor, we find that the first, second and fourth factors are outweighed by the third, and most important factor, and that therefore opposer has failed to establish excusable neglect. Accordingly, opposer's motion to set aside the judgment and reopen is **DENIED**.⁵

News from the TTAB

⁵ Opposer's arguments regarding the benefit of deciding all three oppositions together, and the ultimate merits of opposer's claims, are not relevant to the question at hand, i.e. whether opposer's neglect is excusable.

The USPTO published a notice of final rulemaking in the Federal Register on August 1, 2007, at 72 F.R. 42242. By this notice, various rules governing Trademark Trial and Appeal Board inter partes proceedings are amended. Certain amendments have an effective date of August 31, 2007, while most have an effective date of November 1, 2007. For further information, the parties are referred to a reprint of the final rule and a chart summarizing the affected rules, their changes, and effective dates, both viewable on the USPTO website via these web addresses: <http://www.uspto.gov/web/offices/com/sol/notices/72fr42242.pdf>
http://www.uspto.gov/web/offices/com/sol/notices/72fr42242_FinalRuleChart.pdf

By one rule change effective August 31, 2007, the Board's standard protective order is made applicable to all TTAB inter partes cases, whether already pending or commenced on or after that date. However, as explained in the final rule and chart, this change will not affect any case in which any protective order has already been approved or imposed by the Board. Further, as explained in the final rule, parties are free to agree to a substitute protective order or to supplement or amend the standard order even after August 31, 2007, subject to Board approval. The standard protective order can be viewed using the following web address:
<http://www.uspto.gov/web/offices/dcom/ttab/tbmp/stndagmnt.htm>