

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

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Mailed: June 3, 2010

Opposition Nos. 91179480
91179482

Plasti-Fab Ltd.

v.

Kobelco Construction Machinery
Co., Ltd.

**Before Seeherman, Cataldo and Bergsman, Administrative
Trademark Judges.**

By the Board:

This matter comes up on opposer's motion (filed April 20, 2009) for sanctions in the form of judgment and, alternatively, for permission to file a motion for summary judgment outside of the discovery period.¹ The motion has been fully briefed.

A brief overview of the proceedings thus far is instructive. Opposition Nos. 91179480 and 91179482 were instituted on September 6, 2007 and September 10, 2007 respectively. An answer was filed in each opposition on October 23, 2007. The proceedings were consolidated on June 30, 2008. On October 7, 2008, applicant filed an unconsented motion for a thirty-day extension to respond to opposer's

¹ Although opposer characterizes its request in terms of filing a motion for summary judgment after the close of discovery, because a motion for summary judgment may be filed prior to the opening of the first testimony period, but not thereafter, see Trademark Rule 2.127(e)(1), we consider opposer to be requesting permission to file a motion for summary judgment after the commencement of trial.

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discovery requests² that were served on September 2, 2008. Opposer filed a motion to compel discovery on October 28, 2008 and renewed the motion on November 26, 2008 when applicant failed to respond to opposer's discovery requests within the extension of time requested.³ Neither motion was contested by applicant.

On January 27, 2009, the Board granted opposer's motion to compel and ordered applicant to respond to each discovery request without objection within thirty days of the order. The Board further deemed admitted the unanswered requests for admission, and suspended the proceeding pending applicant's response to the order. On March 9, 2009, in the absence of any communication from either party, the Board reiterated its order granting opposer's motion to compel, gave applicant an additional thirty days to answer any outstanding discovery and reset the trial dates. Applicant served its responses on April 8, 2009.⁴

Opposer then filed a motion for sanctions on April 20, 2009, on the grounds that applicant's discovery responses were inadequate and noncompliant with the Board's orders, and further filed on May 8, 2009, the last day of opposer's testimony period, a motion to suspend proceedings.

Opposer's Motion to Suspend

² Opposer's first sets of requests for admission, requests for production of documents, and interrogatories.

³ Applicant's motion to extend time was granted as conceded by the Board on December 8, 2008.

⁴ These responses were supplemented by applicant on May 11, 2009 concurrent with its response to opposer's motion for sanctions.

Insofar as no response was filed to opposer's motion to suspend proceedings, the motion is **GRANTED AS CONCEDED**.⁵ See Trademark Rule 2.127(a).

Before we reach the question of sanctions, however, we must first consider applicant's responses, or lack thereof, to opposer's several discovery requests.

Opposer's Requests for Admission

We initially address opposer's requests for admission as there appears to be some confusion between the parties as to their status. Under Fed. R. Civ. P. 36(a)(3), "[a] matter is admitted unless, within 30 days after being served, the party to whom the request is directed serves on the requesting party a written answer or objection addressed to the matter and signed by the party or its attorney." Where a requested admission is deemed admitted, the responding party may either move to reopen its time to respond to the admission request by demonstrating that its failure to timely respond was due to excusable neglect pursuant to Fed. R. Civ. P. 6(b)(1)(B) or move to withdraw and amend its admission pursuant to Fed. R. Civ. P. 36(b). See *Giersch v. Scripps Networks, Inc.*, 85 USPQ2d 1306 (TTAB 2007). Rule 36(b) states that the Board may allow a party to withdraw and/or amend its admissions "if it would promote the presentation of the merits of the action and if the court is not persuaded that it would prejudice the

⁵ We also note that since opposer's motion for sanctions includes a request for judgment, the motion is a potentially dispositive one and further cause for suspension of proceedings pursuant to Trademark Rule 2.127(d).

requesting party in maintaining or defending the action on the merits."

Here, applicant served its responses on April 8, 2009 to admission requests made by opposer on September 2, 2008, apparently under the impression that it had until April 8, 2009 to serve those responses under the Board's March 9, 2009 order. However, the purpose of the Board's order was not to mitigate the consequences of Fed. R. Civ. P. 36(a)(3) but rather to confirm and inform the parties that the "unanswered requests for admissions are deemed admitted." Since it appears from applicant's response that it seeks to reopen its time to serve its responses or, alternatively, to withdraw the deemed admissions⁶, we consider both in turn.

With respect to reopening its time to serve responses, we first consider whether applicant has demonstrated excusable neglect under Rule 6(b). In its response, applicant, through its counsel, simply states that it "responded to the Requests for Admissions by the deadline set in the Board's March 9, 2009 Order." However, the requests for admission were served on September 2, 2008, and applicant's requested extension of time to respond to discovery expired on November 6, 2008. The Board

⁶ In its reply brief (filed June 1, 2009), opposer argues that applicant's request to have the deemed admissions withdrawn "is insufficient under TBMP §§ 525 and 502.02(a) which require a motion for the withdrawal of admissions." To the extent that opposer is arguing that a *formal* motion is required before we can consider the withdrawal of deemed admissions, we disagree. In its response, applicant specifically asks that the Board accept its responses to the admission requests under Fed. R. Civ. P. 36(b). This is sufficient and "we are reluctant to assign talismanic significance to the attorney's failure to use the phrase 'I move.'" *Kerry Steel, Inc. v. Paragon Industries, Inc.*, 106 F.3d 147 (6th Cir. 1997).

specifically stated, in our January 27, 2009 order, that the requests for admission were deemed admitted. Although applicant misconstrued the Board's March 9, 2009 order, applicant's failure to timely respond to opposer's requests for admission, and the Board's deeming the requests to be admitted, occurred long before the March 9, 2009 order. Applicant has provided no explanation for its failure to timely respond to the requests for admission. Nor does applicant's misunderstanding of the Board's March 9, 2009 order constitute excusable neglect. *See Advanced Estimating System, Inc. v. Riney*, 130 F.3d 996, 998 (11th Cir. 1997) (counsel's misunderstanding of rule does not constitute excusable neglect). Accordingly, we will not reopen applicant's time to respond to opposer's admission requests.

Consequently, we turn to the question of whether applicant should be allowed to withdraw or amend its deemed admissions under Fed. R. Civ. P. 36(b). This determination must consider 1) whether the withdrawal or amendment "would promote the presentation of the merits of the action" and 2) whether the party that obtained the admissions would be prejudiced thereby in maintaining or defending the action on the merits. Fed. R. Civ. P. 36(b); *see also Giersch v. Scripps*, 85 USPQ2d at 1308-1309.

Considering that many of the previously deemed admissions have been denied by applicant in its late-filed response to opposer's admission requests, to allow a withdrawal of these admissions would certainly promote the presentation of the

merits of this case, thereby satisfying the first prong of the inquiry. *See id.*

As to the second prong, the prejudice contemplated under Rule 36(b) is more than "mere inconvenience". *Hadley v. U.S.*, 45 F.3d 1345, 1349 (9th Cir. 1995). Rather, it concerns the "special difficulties a party may face caused by a sudden need to obtain evidence upon withdrawal or amendment of an admission." *American Automobile Association (Incorporated) v. AAA Legal Clinic of Jefferson Crooke, P.C.*, 930 F.2d 1117, 1120 (5th Cir. 1991). In the present matter, applicant's request to withdraw the deemed admissions was filed during opposer's initial testimony period as part of its response to opposer's motion for sanctions. Although we are mindful that a finding of prejudice is more likely "when the motion for withdrawal is made in the middle of trial," *Hadley*, 45 F.3d at 1348, the circumstances here do not warrant such a finding. The proceeding is currently suspended and opposer has not pointed to any particular prejudice it would suffer in allowing the withdrawal of the admissions, and it does not appear that opposer has relied on or presented any trial testimony based on the deemed admissions. Therefore, we **GRANT** applicant's request to withdraw its deemed admissions and to accept its subsequently filed responses. In order to mitigate any potential prejudice to opposer, we are reopening discovery solely for opposer, and extending its testimony period as well. Opposer's Interrogatories and Request for Documents

As to opposer's interrogatories and requests for production of documents, applicant was ordered to respond to these requests *without objection*. However, applicant's first set of responses are rife with objections, contrary to the specific orders of the Board. Indeed, the majority of the objections appear to be without merit as they are based on applicant's misconception that a protective order is not in place in the current proceeding. Applicant's objection to providing the requested information prior to the entry of a protective order is not well taken since, as of August 31, 2007, the standard Board protective order is effective in all Board proceedings unless the parties stipulate otherwise. See Trademark Rule 2.116(g). Furthermore, it is unclear why a protective order is even necessary for some of opposer's requests, e.g., identify applicant's web sites that display or use the marks (Interrogatory No. 15), identify the geographic areas of use (Interrogatory No. 16), identify applicant's trade channels (Interrogatory No. 17). Also, applicant's supplemental responses providing additional information and documents, filed concurrently with its response to opposer's motion for sanctions, raise questions as to applicant's good faith in responding to opposer's discovery requests.

Sanctions

Where a party fails to comply with an order of the Board compelling discovery, the Board will entertain a motion for sanctions pursuant to Trademark Rule 2.120(g)(1) and Fed. R. Civ. P. 37(b)(2). While dismissal of the proceeding, in whole

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or in part, is a possible remedy, we recognize that it is a severe one and one that is imposed "where no less drastic remedy would be effective, and there is a strong showing of willful evasion." *Baron Philippe de Rothschild S.A. v. Styl-Rite Optical Mfg. Co.*, 55 USPQ2d 1848, 1854 (TTAB 2000).

Although we frown upon applicant's delay in responding to opposer's discovery requests, we decline to go so far as to grant judgment for opposer as a sanction for such delay. However, that is not to say that some lesser sanction is not warranted, particularly in view of applicant's failure to comply with the Board's orders requiring applicant to respond without objection. To that end and to the extent that any objections still remain following applicant's supplemental responses, those objections will be disregarded and the requests to which they pertain will be construed against applicant. Furthermore, applicant is reminded that it is precluded from introducing and otherwise relying at trial on any information responsive to the discovery requests that were not produced.

Finally, as a further sanction for applicant's delay and disregard of Board orders, we also grant opposer leave to file a motion for summary judgment prior to the opening of its reset testimony period, should it choose to do so. Needless to say, applicant is not granted a similar opportunity.

Proceedings are resumed and dates are reset as follows:

OPPOSER'S DISCOVERY PERIOD TO CLOSE: **7/31/2010**

30-day testimony period for opposer to close **10/29/2010**

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30-day testimony period for applicant to close

12/28/2010

15-day rebuttal period for opposer to close:

2/11/2011

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