

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

Mailed: February 3, 2010

Opposition No. 91181380

E. & J. GALLO WINERY

v.

MIMULANI AG

ELIZABETH J. WINTER, INTERLOCUTORY ATTORNEY:

On February 3, 2010, the parties, E. & J. GALLO WINERY (represented by Seth Appel of Harvey Siskind LLP) and MIMULANI AG (represented by Mark Lebow and Jeffrey Goehring of Young & Thompson), and Elizabeth Winter, the assigned Interlocutory Attorney, participated in a telephone conference regarding opposer's motion (filed December 31, 2008) to reopen its time for discovery, which was not fully briefed until August 31, 2009. See Trademark Rules 2.120(i)(1) and 2.127(c); and TBMP § 502.06 (2d ed. rev. 2004). These proceedings have been suspended since December 31, 2008, after the filing of applicant's motion to compel, which was addressed in the Board's order mailed July 30, 2009.

Opposition No. 91181380

This order summarizes the conference and the Board's ruling regarding opposer's motion to reopen the discovery period.

Motion to Reopen Discovery

In accordance with the Board's rescheduling order mailed August 20, 2008, discovery was set to close on December 25, 2008. Opposer filed its motion to reopen discovery six days later, requesting that the Board reopen the discovery period for ninety days.

The showing that must be made to reopen a prescribed time under the Federal Rules of Civil Procedure is set forth at Rule 6(b), made applicable to Board proceedings by Trademark Rule 2.116(a), 37 C.F.R. § 2.116(a). Rule 6(b) provides for an enlargement of time after the expiration of the specified time period, "where the failure to act was the result of excusable neglect." See also TBMP § 509.01(b) (2d ed. rev. 2004). The relevant case which addresses the excusable neglect standard is *Pioneer Investment Services Company v. Brunswick Associates Limited Partnership*, 507 U.S. 380 (1993), as discussed by the Board in *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d 1582 (TTAB 1997).

In *Pioneer*, the Supreme Court stated that the determination of excusable neglect is at bottom an equitable one, taking account of all relevant circumstances surrounding the party's omission. These include ... (1) the

Opposition No. 91181380

danger of prejudice to the [nonmovant], (2) the length of the delay and its potential impact on judicial proceedings, (3) the reason for the delay, including whether it was within the reasonable control of the movant, and (4) whether the movant acted in good faith. *Pioneer*, 507 U.S. at 395. The Board has also noted that several courts have held that the third *Pioneer* factor, *i.e.* "the reason for the delay, including whether it was within the reasonable control of the movant," may be deemed to be the most important of the *Pioneer* factors in a particular case. *Pumpkin Ltd. v. The Seed Corps*, *supra*, 43 USPQ2d at 1586 n.7. See also *S. Industries Inc. v. Lamb-Weston Inc.*, 45 USPQ2d 1293, 1296 (TTAB 1997).

The Board first discussed the first factor, *i.e.* the danger of prejudice to applicant, and determined that this factor favors opposer. Applicant made no showing of prejudice in the nature of lost evidence or unavailable witnesses, and merely argues that reopening the discovery period will increase its costs. It is unclear to the Board how applicant will bear any greater costs in defending this matter than it would have if opposer had filed a motion to extend discovery six days earlier than it filed its motion to reopen. Thus, the Board concludes that there does not appear to be any measurable prejudice to applicant should the Board reopen the discovery period. *HKG Industries Inc. v. Perma-Pipe Inc.*, 49

Opposition No. 91181380

USPQ2d 1156, 1157 (TTAB 1998) (citations omitted). Mere delay or loss of tactical advantage, without more, has not been found to constitute prejudice. *See, e.g., Pratt v. Philbrook*, 109 F.3d 18 (1st Cir. 1997), *cited in Pumpkin*, 43 USPQ2d at 1587. *Cf. S. Industries Inc. v. Lamb-Weston Inc.*, 45 USPQ2d 1293, 1296 (TTAB 1997) (in considering 60(b) motion, the Board stated "the only prejudice to petitioner, albeit insignificant, is that its motion for summary judgment would face testing on the merits").

As for the second *Pioneer* factor, namely, the length of the delay and its potential impact on the proceedings, applicant essentially argues that the proceeding will be delayed by service of new discovery by both parties and by additional discovery disputes. This prospective concern can be avoided if the parties cooperate with one another.¹ In addition, opposer filed its motion to reopen discovery within a very short period of time, *i.e.* six days after the close of discovery and within eleven days of learning applicant's position that it had served its discovery responses on opposer. For these reasons, the Board finds that the potential impact on the proceedings from the delay is minimal; thus, this factor also favors opposer.

¹ The parties are directed to review pages 5-7 of the Board's order in this proceeding mailed on July 30, 2009, which discussed, *inter alia*, the parties' duty to cooperate during discovery. *See* TBMP §§ 402.01 and 408.02-408.03 (2d ed. rev. 2004).

Opposition No. 91181380

As to the third *Pioneer* factor, the reason for the delay, including whether it was within the reasonable control of opposer, the Board finds that the circumstances affecting opposer's conduct during the discovery period were not within its reasonable control. Specifically, in its motion, opposer explained that in view of applicant's apparent failure to respond to opposer's discovery requests, opposer's prior counsel chose to rely on applicant's effective admissions (from applicant's apparent failure to reply to opposer's admission requests) and to not pursue additional discovery. That the discovery responses were apparently not delivered to opposer was not in opposer's control; and opposer's reliance on applicant's apparent failure to serve responses was reasonable. As a practical matter, there were no discovery responses to be addressed by follow-up discovery; and opposer's former counsel did serve additional discovery requests on applicant before the close of the discovery period. In view of the foregoing, the Board finds that the third *Pioneer* factor also weighs in opposer's favor. See *S. Industries Inc. v. Lamb-Weston Inc.*, 45 USPQ2d at 1296 ("the Board is persuaded that respondent's counsel was not solely responsible for the delay").

The Board next addressed the fourth *Pioneer* factor, *i.e.* whether opposer acted in good faith in its delay in conducting discovery. The Board noted applicant's arguments and evidence

Opposition No. 91181380

by which it seeks to establish not only that it timely served its responses to opposer's discovery, but also that opposer acted in bad faith, that is, applicant seeks to show that opposer actually received applicant's discovery responses and was now being less than truthful with the Board with regard to its receipt of said responses. However, while the record shows that applicant timely served its discovery responses on opposer and that it sent those responses to opposer's correct address, the record also contains credible, contradictory evidence showing that opposer did not receive applicant's discovery responses and that the only documents received from applicant were part of a settlement offer unrelated to discovery. Additionally, as discussed, the Board considers opposer's delay in conducting further discovery until December 2008 to have been reasonable. Further, the record shows that opposer acted promptly to appoint outside counsel once opposer learned applicant's position that it had served its responses; and that opposer's new counsel quickly filed the subject motion. In view of the foregoing, the Board determined that there is no evidence of bad faith on the part of opposer and that this factor weighs in opposer's favor.²

² Nonetheless, the Board advised opposer that the better practice for opposer's prior counsel would have been to contact applicant's counsel soon after opposer did not receive timely responses from applicant.

Opposition No. 91181380

Taking into account the four factors enumerated by the Supreme Court in *Pioneer* and all of the relevant circumstances, the Board finds that opposer has shown excusable neglect. Accordingly, opposer's motion to reopen the discovery period is granted to the following extent. Specifically, inasmuch as the parties informed the Board that the parties have already responded to previously served discovery, but need to address certain objections and to supplement document production, the discovery period is reopened for **SIXTY DAYS** from the mailing date of this order.

However, as discussed, should opposer be unable to schedule and conduct the deposition(s) that were mentioned during the conference during the reopened discovery period, opposer should contact the assigned Interlocutory Attorney to request the Board's consideration of a motion to extend the discovery period for that purpose.

Proceedings Resumed; Dates Reset

Proceedings herein are resumed. The parties are allowed until **THIRTY DAYS** from the mailing date of this order in which to respond to and to supplement any previously served discovery responses as needed. Discovery is reopened for **SIXTY DAYS** from the mailing date of this order.

Discovery, disclosure and trial dates are reset as follows:

Opposition No. 91181380

Expert Disclosures Due	3/5/2010
Discovery Closes	4/4/2010
Plaintiff's Pretrial Disclosures	5/19/2010
Plaintiff's 30-day Trial Period	
Ends	7/3/2010
Defendant's Pretrial Disclosures	7/18/2010
Defendant's 30-day Trial Period	
Ends	9/1/2010
Plaintiff's Rebuttal Disclosures	9/16/2010
Plaintiff's 15-day Rebuttal Period	
Ends	10/16/2010

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. See Trademark Rule 2.125, 37 C.F.R. § 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b), 37 C.F.R. §§ 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129, 37 C.F.R. § 2.129.

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