

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

EJW

Mailed: December 31, 2011

Opposition No. 91191784

Montres Charmex S.A.

v.

Montague Corporation

ELIZABETH J. WINTER, INTERLOCUTORY ATTORNEY:

This case now comes up for consideration of opposer's submission of its second amended pleading (filed June 28, 2011), opposer's motion (filed June 30, 2011) to consolidate this proceeding with Cancellation No. 92052183, applicant's cross-motion (filed July 13, 2011 within its brief opposing the amended pleading) for sanctions against opposer, and opposer's motion (filed August 3, 2011) to strike applicant's July 13, 2011 motion for sanctions. The motions are fully briefed.

Background

Before addressing the subject motions, it is first necessary to review part of the procedural history of this proceeding.

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On September 2, 2009, opposer (hereafter "opposer," "Montres Charmex," or "Montres") filed its notice of opposition on the ground that applicant's mark is merely descriptive of applicant's described goods. Subsequent to applicant's filing of a motion to dismiss and prior to an answer being filed, opposer submitted an amended pleading, which set forth additional grounds for opposition, namely, that applicant's mark has not acquired distinctiveness under Section 2(f) of the Trademark Act, that said mark constitutes a false suggestion of a connection with the Swiss military under Section 2(a) of the Trademark Act, that applicant's mark is deceptive of a quality or feature of the goods, that applicant's mark is primarily geographically deceptively misdescriptive, and fraud. On August 7, 2010, the Board, *inter alia*, granted applicant's motion to dismiss opposer's claim under Section 2(a) for failure to state a claim for which relief could be granted, and *sua sponte* struck opposer's claim for fraud. In its order on opposer's motion for reconsideration (mailed on March 31, 2011), the Board allowed opposer fifteen days from the mailing date of its order to file an amended fraud claim, and the proceeding was resumed.

Motion to Amend its Pleading

On June 28, 2011, seventy-four (74) days *after* the Board's deadline for filing an amended fraud claim, opposer

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filed a second amended pleading without the consent of applicant and without a motion in support of said filing.

Insofar as opposer filed its amended pleading after the deadline therefor established by the Board, the Board looks to Federal Rule 15(a), with respect to said filing. Fed. R. Civ. P. 15(a) provides, in relevant part, that once a responsive pleading is filed, a party may amend its pleading only by leave of the court or by written consent of the adverse party. Opposer has not filed a motion seeking the Board's leave to file an amended pleading, nor has applicant consented to opposer's second amended pleading.

Further, as noted, opposer filed its second amended pleading containing the amended fraud claim well after the time allowed for such filing by the Board in its order mailed on March 31, 2011. As such, opposer's submission is untimely. *Cf. Hewlett-Packard Co. v. Olympus Corp.*, 931 F.2d 1551, 1554, 18 USPQ2d 1710, 1713 (Fed. Cir. 1991), *cited in PolyJohn Enterprises Corp. v. 1-800-Toilets Inc.*, 61 USPQ2d 1860 (the Board is justified in enforcing procedural deadlines); and *Atlanta-Fulton County Zoo, Inc. v. DePalma*, 45 USPQ2d 1858, 1860 (TTAB 1998) ("Opposer brought this case and, in so doing, took responsibility for moving forward on the established schedule.").

In view of the foregoing, opposer's second amended pleading will not be considered. Accordingly, opposer's

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first amended notice of opposition filed February 3, 2010,
remains opposer's pleading of record. Thus, opposer's remaining grounds for opposition are as follows: that applicant's mark is merely descriptive of applicant's described goods; that applicant's mark has not acquired distinctiveness under Section 2(f) of the Trademark Act;¹ that applicant's mark is deceptive as to a quality or feature of the goods; and that applicant's mark is primarily geographically deceptively misdescriptive.

Opposer's Motion to Consolidate Opposition with Canc. No. 92052183

- *Parties' Arguments*

Montres Charmex requests that the Board consolidate Opposition No. 91191784 with Cancellation No. 92052183. In support thereof, Montres asserts that the proceedings involve common questions of law or fact; that the marks share a common first component; that the claims are similar; that the involved parties are identical; and that the goods are identical.

Applicant/Respondent (hereafter "Montague") opposes consolidation on the basis that the purpose of the motion is to delay the cancellation proceeding in which discovery had closed the day after opposer filed its motion to

¹ Montague states in its opposition brief (p. 4) that the opposition grounds also include "false dates of first use".

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consolidate.² In particular, Montague points out that Montres (petitioner in 92052183) did not serve any discovery in the cancellation proceeding, and that the result of granting Montres' motion to consolidate would be that the discovery period would be extended for both matters, resulting in prejudice and inconvenience to Montague. Second, Montague asserts that there is negligible overlap in facts and issues in these proceedings, pointing out that the cancellation involves the mark SWISS MILITARY, whereas, the opposition proceeding involves the mark SWISSBIKE; and that the cancellation involves fact specific claims including genericness, no use in commerce, and fraud. Montague also reiterates that the proceedings are on different procedural tracks or schedules.

In reply, Montres argues that the delay in the cancellation proceeding is due to Montague's "meritless" motion to dismiss rather than Montres' actions, and that the "overwhelming similarity of the two cases" supports consolidation.

- *Board's Analysis*

When cases involve common questions of law or fact, the Board, in its discretion, may order consolidation of the proceedings upon motion, stipulation of the parties, or on

² As last reset in the Board's order mailed on December 22, 2010, the discovery period in Canc. No. 92052183 was set to close on July 1, 2011.

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the Board's own initiative. See Fed. R. Civ. P. 42(a) and TBMP § 511 (3d ed. 2011). See, e.g., *Venture Out Properties LLC v. Wynn Resorts Holding LLC*, 81 USPQ2d 1887, 1889 (TTAB 2007); *S. Industries Inc. v. Lamb-Weston Inc.*, 45 USPQ2d 1293, 1297 (TTAB 1993); and *World Hockey Ass'n v. Tudor Metal Products Corp.*, 185 USPQ 246, 248 (TTAB 1975). In determining whether to consolidate the proceedings, the Board will weigh the savings of time, effort, and expense that may be gained from consolidation against any prejudice that may be caused as a result thereof. See, e.g., *Lever Brothers Company v. Shaklee Corp.*, 214 USPQ 654 (TTAB 1982). Opposer, as the moving party, bears the burden of persuading the Board to exercise its considerable discretion in this instance. See 8 Moore's Federal Practice, § 42.10[2][a] (3d ed. 2007).

In considering the arguments of both parties, the Board notes that the involved marks, on their face, are not the same; rather, SWISS MILITARY and SWISSBIKE may be viewed as evoking very different commercial impressions. Further, while the parties are the same, the only common claim is the assertion that Montague's marks are primarily geographically deceptively misdescriptive. In view thereof, the Board is not persuaded that consolidation of the proceedings would save the Board time or effort. Additionally, it is noted that prior to the filing of the motion to consolidate, the

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cancellation proceeding was very close to trial; whereas, only two weeks of the discovery period had passed in the opposition proceeding.

In view of the foregoing, the Board finds that the Board's interest in judicial economy will not be served by consolidation of Opposition No. 91191784 and Cancellation No. 92052183. Rather, consolidation would risk causing confusion of the issues before the Board in each proceeding. Accordingly, the motion to consolidate said proceedings filed by Montres Charmex is denied; and each proceeding shall move forward apace on their respective reset schedules.

Applicant's Cross-Motion for Sanctions and Opposer's Motion to Strike

On page 2 of applicant's response to the filing of opposer's second amended pleading, applicant requests that sanctions be issued in the nature of requiring opposer to contact the Board and to participate in an *inter partes* conference before filing any new motion in this proceeding. In support thereof, applicant argues that opposer has continued to delay and obstruct the flow of this proceeding with frivolous, incomprehensible filings.

In response to applicant's request, opposer filed a motion to strike applicant's briefs, arguing first that applicant's motion for sanctions was an improper motion under Federal Rule 11 because applicant assertedly failed to

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follow the safe harbor requirements. Opposer also contends that applicant's exhibits attached to its opposition to the motion to consolidate were not properly authenticated and should be stricken.

With respect to the exhibits attached to applicant's response to the motion to consolidate, said exhibits did not affect the Board's decision with respect to opposer's motion. Rather, the dissimilar facts and issues involved in the opposition and cancellation proceedings resulting from the dissimilar claims in each and the dissimilar appearance of the involved marks, the timing of the motion to consolidate, and the different procedural tracks of the proceedings, together, provided adequate bases for finding that judicial economy would not result from consolidation of the proceedings at issue in the motion. Accordingly, with respect to applicant's exhibits, opposer's motion to strike is denied.

As regards the notion that applicant's request for sanctions is an improper Rule 11 motion, opposer's motion is without merit. Clearly, rather than stating that a particular paper filed in this proceeding violates Fed. R. Civ. P. 11, applicant has only expressed legitimate concern regarding the delay caused by opposer's several motions during this proceeding.

Opposer is reminded that the Board may make any

appropriate order for sanctions, including those provided in Rule 37(b)(2) of the Federal Rules of Civil Procedure, which is applicable to this proceeding under Trademark Rule 2.116(a), 37 C.F.R. § 2.116(a). Such sanctions include, *inter alia*, striking pleadings in whole or in part, prohibiting the introduction of designated matters in evidence, and dismissal of the proceeding. Fed. R. Civ. P. 37(b)(2). *See also Kairos Institute of Sound Healing, LLC v. Doolittle Gardens, LLC*, 88 USPQ2d 1541, 1544 (TTAB 2008) (sanctions might also include imposing a limitation on the number of depositions a party may take, directing that a party may only serve a certain number of interrogatories or document requests, and/or extending the discovery period for an aggrieved party alone in order to account for the delay or impediment caused by the adverse party).

In view of the foregoing, motion to "strike" (*i.e.*, opposition to) applicant's motion for sanctions is denied. Additionally, the Board finds that this proceeding has been significantly delayed by opposer's late submission of its second amended pleading and by opposer's filing of the subject motion strike. In view thereof, applicant's motion for sanctions is granted.

Accordingly, *before filing another motion in this proceeding*, including any motion related to an extension of time or suspension, or to discovery, so that this proceeding

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may move forward without any further delay, opposer is hereby ORDERED to first contact the assigned Interlocutory Attorney in order to arrange an *inter partes* conference with applicant's counsel, failing which any such motion filed by opposer may not be considered. See *Carrini, Inc. v. Carla Carini S.R.L.*, 57 USQP2d 1067 (TTAB 2000) (The Board has the inherent authority to schedule the disposition of cases on its own docket); and *Optician's Ass'n of America v. Independent Opticians of America, Inc.*, 734 F.Supp. 1171, 14 USPQ2d 2021 (D.N.J. 1990).

Proceeding Resumed; Trial Dates Reset

This proceeding is resumed. Trial dates, including disclosure due dates and the close of discovery, are reset as shown below:

Initial Disclosures Due	1/30/2012
Expert Disclosures Due	5/14/2012
Discovery Closes	6/13/2012
Plaintiff's Pretrial Disclosures Due	1/30/2012
Plaintiff's 30-day Trial Period Ends	3/15/2012
Defendant's Pretrial Disclosures Due	3/30/2012
Defendant's 30-day Trial Period Ends	5/14/2012
Plaintiff's Rebuttal Disclosures Due	5/29/2012
Plaintiff's 15-day Rebuttal Period Ends	6/28/2012

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

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completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b).

An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

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