

Goodman

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

Mailed: September 16, 2011

Opposition No. 91199581

Hudson Clothing, LLC

v.

Christina Goerner

Before Walters, Ritchie & Lykos, Administrative Trademark Judges.

By the Board:

This case now comes up applicant's motion to dismiss¹, filed July 22, 2011, on the following grounds:

- Applicant moves to dismiss based on the affirmative defense of opposer's failure to serve the notice of opposition on applicant nor provide a "'sworn 'Certificate of service.'"
- Applicant's motion for sanctions in the form of dismissal based on Fed. R. Civ. P. 37(b)(2) and Trademark Rule 2.120(g)(1), for opposer's alleged failure to participate in the "settlement conference", failure to continue a "discovery/'settlement

¹ Robert Eichelburg, by filing the motion to dismiss on behalf of applicant, has noticed his appearance as counsel for applicant in this case. TBMP Section 114.03 (3d ed. 2011). Mr. Eichelburg is now listed as correspondent in this case.

conference,'" and for opposer's "lack of *bona fides*" in engaging in settlement negotiations.

- Applicant moves to dismiss based on paragraphs 20-22 identified as affirmative defenses in applicant's answer.

In response, opposer argues that the motions are "frivolous." Opposer submits that the motion to dismiss on the ground of insufficient service is untimely and "the evidence is undisputed she [applicant] was properly served . . . twice." Opposer also argues that there is "no legal authority" to support dismissal under Rule 12 for "failure to conduct *bona fides* settlement negotiations."

In addressing applicant's motions, we will not recount the parties' arguments, but presume the parties' familiarity therewith.

Motion to Dismiss - Timeliness

With regard to the timeliness of a motion to dismiss for insufficient service, the Board has held that for an affirmative defense of insufficient service "[t]o be considered timely, a motion to dismiss for insufficient service should be filed prior to, or concurrently with, defendant's answer." *Chocoladefabriken Lindt & Sprungli AG v. Flores*, 91 USPQ2d 1698, 1699 (TTAB 2009).

Applicant filed her answer on June 2, 2011. The motion to dismiss was filed on July 22, 2011. Accordingly, we deny

the motion to dismiss for insufficient service because it is untimely.

Motion to Dismiss - Insufficient Service

We also note that had we considered the motion on its merits, we would have found that opposer met its burden of establishing service of the notice of opposition on applicant.

In the present case, opposer's counsel's declaration describes in a non-conclusory fashion how opposer's counsel complied with the service requirements of Trademark Rules 2.101(b) and 2.119.² These allegations are uncontroverted. Accordingly, opposer met its burden to establish that it satisfied the service requirements of Trademark Rules 2.101(b) and 2.119. *Cf. Cruz-Packer v. District of Columbia*, 539 F.Supp.2d 181 (D.D.C., 2008) (citation omitted) (when the validity of service of process is

² The declaration explains the method of service as first class mail and points to the certificate of service which accompanied the notice of opposition (and evidencing applicant's correspondence address of record for the involved application) as proof that opposer met the service requirements. The declaration also declares that the notice of opposition was not returned as undeliverable to opposer.

There is no requirement on either party that papers filed with the Board be served by registered mail or certified mail or by overnight mail. Trademark Rule 2.119(b) provides that service may be made by various means, including "by express mail . . . first-class mail, which may also be certified or registered... or by overnight courier." There is also no requirement that a party have a mail receipt or overnight courier service receipt to evidence proof of service. A certificate of service is considered prima facie evidence of proof of service; there is no requirement for a sworn certificate of service. Trademark Rule 2.119(a).

challenged under Fed. R. Civ. P. 12(b)(5), to meet its burden, the plaintiff must demonstrate that the procedure employed to deliver the papers satisfied the requirements of the rule and other applicable provisions of the law; discussing Fed. R. Civ. P. 4).

Dismissal based on paragraphs 20-22 identified as affirmative defenses in applicant's answer

To the extent that applicant seeks dismissal of this proceeding based on the "overall weakness of the mark Hudson . . ." and [the] "monopolistic filing of multiple oppositions", as set forth in paragraphs 20-22 ("affirmative defenses & allegations") of the answer, the motion is denied.

These "defenses" appear to be an amplification of applicant's denials of likelihood of confusion. These "defenses" cannot be considered on a motion to dismiss as they require a detailed analysis of the facts at issue. Accordingly, consideration of these matters is best resolved by summary judgment or at trial. 5A C. Wright, A. Miller, Federal Practice and Procedure Civil 3d § 1357 (2009).

Sanctions

To the extent that applicant is seeking sanctions for the failure of opposer to participate in a separate settlement conference, the motion is denied. While under Fed. R. Civ. P. 16(c)(1), a settlement conference may be held in conjunction with the mandatory pretrial or discovery

conference or separately therefrom,³ and mandatory settlement conferences are often a requirement by pretrial order or local rules in federal district court proceedings, in Board proceedings, there is no requirement that the parties conduct a separate settlement conference. Trademark Rule 2.120(a) only requires mandatory participation in a discovery conference to "discuss settlement and to develop a disclosure and discovery plan" Thus, while settlement is a topic for discussion in the parties' mandatory discovery conference, a party cannot seek relief from the Board to require that a separate settlement conference be had or seek sanctions based on a party's refusal to hold a settlement conference or to discuss settlement outside of the discovery conference.

In this case, it appears that while the parties participated in a discovery conference on July 5, 2011, the conference was terminated prematurely so that applicant's counsel could speak to his client to obtain more information concerning applicant's intended business to assist in discussing the possibility of settlement. Applicant's

³ Fed. R. Civ. P. 16(c), Advisory Committee notes 1983 amendment. The committee notes state that "[t]he rule does not make settlement conferences mandatory" but that "requests for a conference from a party indicating a willingness to talk settlement normally should be honored, unless thought to be frivolous or dilatory." However, the "notes clearly draw a distinction between being required to attend a settlement conference and being required to participate in settlement negotiations." *G. Heileman Brewing Co., Inc. v. Joseph Oat Corporation*, 871 F.2d 648 (7th Cir. 1989).

counsel obtained the information and then sought to reconvene the discovery conference without success due to opposer's counsel's failure to return his telephone calls of July 6, 2011 and July 12, 2011 as well as opposer's counsel failure to respond to applicant's counsel's e-mail of July 17, 2011.⁴

While opposer submits that it has complied with the mandatory discovery conference requirement, the Board finds by the parties' own admissions that they did not discuss all the topics required for the discovery conference and that the discussion of settlement was not completed.⁵

Accordingly, the parties have not complied with the discovery conference requirement as a full and complete discovery conference has not been held. TBMP Section 401.01 (3d ed. 2011); *see Promgirl Inc. v. JPC Co.*, 94 USPQ2d 1759, 1761 (TTAB 2009) (finding noncompliance with "full" discovery conference requirement because the parties discussed settlement but did not discuss the subjects set forth in Fed. R. Civ. P. 26 and the Board's institution order).

⁴ Opposer has provided no explanation for ignoring applicant's counsel's telephone calls and e-mail communication.

⁵ The Weeks declaration declares that the parties briefly discussed the "topic concerning 'the nature of and basis for [the parties'] claims and defenses", and only began discussing "the topic 'the possibility of settling the case or at least narrowing the scope of claims or defenses" when applicant's counsel ended the discovery conference. Weeks declaration, paragraphs 19-22.

Because the conference was terminated prematurely by applicant's counsel so that he could obtain more information for a more meaningful settlement discussion, and because it is not clear from this record that opposer's counsel understood the basis for premature termination of the parties' discovery conference ("Mr. Eichelburg began to provide certain information but stopped suddenly and stated that he needed to speak to his client. Mr. Eichelburg then ended the discovery conference." Weeks Declaration, paragraph 22), the Board does not find that any sanctions against opposer are warranted at this time for failure to reconvene the discovery conference. In view thereof, to the extent applicant seeks sanctions for opposer's failure to reconvene the discovery conference, the motion for sanctions is denied.

However, the Board hereby orders the parties to reconvene the discovery conference to discuss all topics not discussed at the parties' July 5, 2011 discovery conference, and to continue their conversations regarding potential settlement which were not concluded at the time applicant's counsel terminated the discovery conference. TBMP Section 401.01 (3d ed. 2011) (the Board has the authority to order parties to hold a discovery conference, either sua sponte or upon motion).

In the event that opposer's counsel continues to ignore applicant's counsel's attempts to set a date to reconvene the discovery conference⁶ and/or fails to participate in the reconvened discovery conference, the Board will entertain a renewed motion for sanctions. The Board expects the parties to reconvene the discovery conference, on a mutually agreeable date and time, within 20 DAYS of the mailing date of this order.

Proceedings are resumed.

Dates are reset as follows:

Initial Disclosures Due	10/16/11
Expert Disclosures Due	2/13/12
Discovery Closes	3/14/12
Plaintiff's Pretrial Disclosures	4/28/12
Plaintiff's 30-day Trial Period Ends	6/12/12
Defendant's Pretrial Disclosures	6/27/12
Defendant's 30-day Trial Period Ends	8/11/12
Plaintiff's Rebuttal Disclosures	8/26/12
Plaintiff's 15-day Rebuttal Period Ends	9/25/12

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.

⁶ The Board will consider any failure by opposer's counsel to communicate with applicant's counsel regarding the date/time for a reconvened discovery conference as a willful refusal to participate in the reconvened discovery conference.

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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.