

TTAB

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

IN THE MATTER OF APPLICATION SERIAL NO. 77/119,006
PUBLISHED IN THE OFFICIAL GAZETTE ON AUGUST 28, 2007

LUSTER PRODUCTS, INC.,)	Opp No.: 91202788
)	
Opposer,)	
v.)	
)	
JOHN M.VAN ZANDT)	
d/b/a VANZA USA)	
)	
Applicant.)	

OPPOSER'S RESPONSE TO MOTION TO REOPEN DISCOVERY CUTOFF

Opposer in responding to Applicant's brief asserts that it will point-out that statements in Applicant's brief demonstrate why the Motion to reopen discovery by Applicant should be denied, that Applicant's brief is internally inconsistent, that it is Applicant who was trying to play the rules to gain a tactical advantage and that Applicant has not cited a single case in favor of reopening the discovery period or has argued in favor reopening discovery with the required standard of "excusable neglect".

First it should be noted that Applicant's Motion is improperly named and improperly argued in the opening paragraph as a "Motion to Extend Discovery Cutoff", while the Motion is actually a Motion to reopen a closed time period, which Applicant refused to allow Opposer to extend. Furthermore, Applicant seeks to reopen that time period over a month after the closure of the



discovery time period, without any explanation for allowing it to close, without the timely filing of a Motion or any explanation for not bringing the Motion diligently immediately after closure. Moreover, the Applicant's brief demonstrates that Applicant was fully aware of the closure date, because Opposer's counsel had a telephone discussion with Applicant's counsel about extending the date and where Applicant's counsel even refused any such extension. (Applicant's brief pages 3 and 4)

Under *Pioneer Investments Services Company v. Brunswick Associates Ltd. Partnership*, 507 U.S. 380 (1993) and as adopted by the Board in *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d 1582 (TTAB 1997) the movant must show that its failure to act during the time previously allotted therefor was the result of excusable neglect with excusable neglect, determined taking into account the relevant factors surrounding the party's omission or delay, including (1) the 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. Fed. R. Civ. P. 6(b) TBMP §509.01(b) (1) [Note 1.].

The Board has noted 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 the most

important of the *Pioneer* factors. TBMP §509.01(b)(1) (See [Note 3.]). As then set forth in [Note 5.] a party moving to reopen a time period must set forth with particularity the detailed facts upon which its excusable neglect claim is based and that mere conclusory statements are insufficient.

Applicant never argues why it allowed discovery to close on August 6, 2012 without taking any action to extend the date. Rather and somewhat shockingly at the top of page 3 on Applicant's brief, Applicant admits that a phone call occurred in early August near the close of the discovery date set of August 6, 2012 where settlement was discussed and where Applicant refused Opposer's request to extend that date. Actually there were a series of telephone communications that were made for extending that date, but as admitted by Applicant's counsel Opposer was confronted with an outright refusal for any such extension.

It is actually Applicant that was seeking to obtain a tactical advantage by allowing the date to knowingly close and somehow push a better settlement offer (see Applicant's brief pages 3, 4 and 5). Essentially Applicant was attempting to prejudice Opposer in what was admitted to be ongoing settlement discussions and as argued at the top of page 3 of Applicant's brief Applicant was attempting to allow the date to close without an extension, because Applicant was attempting to move settlement

ahead without delay, with the recognition that Applicant was willfully and with full knowledge allowing the discovery date to close for the apparent stated purpose of pushing settlement.

Applicant also argues that somehow during the proceedings it seemed that any Motion to Compel Initial Disclosures from Opposer would have been a waste of time because Applicant's counsel believed that Opposer had lost interest in the proceedings. The claim that Opposer lost interest in the proceedings would be internally inconsistent with the arguments in Applicant's brief to reopen the discovery time period and would be further inconsistent with the correspondence of Applicant that were attached as Exhibits to the Applicant's brief. The brief itself demonstrates that at or near the close of the discovery time period now sought to be reopened (Applicant's brief pages 3, 5 and 5) that settlement discussions were still occurring and that Opposer was even seeking to extend the close of the discovery time period. Furthermore, while the correspondence attached by Applicant to the brief discusses various deadlines it also shows ongoing discussions on settlement and that communications were occurring with Applicant's counsel. On page 2 in footnote in Applicant's brief the Applicant's counsel even argues that until recently it did not have Applicant's email address, but Exhibit 2 attached to Applicant's brief shows a communication where Applicant's counsel admits that he was told in a conversation the

email address for Opposer's counsel, but that he "failed to add it to Out-look". The Applicant's brief at the bottom of page 3 and top of page 4 also reflects that in response to a written communication from Applicant's counsel that Opposer's counsel responded by telephone:

"to a written settlement offer from Vanza's attorney. Thus, it appeared that Luster could avoid prosecuting the opposition through a reasonable settlement."

The Exhibits to the brief attached by Applicant, and Applicant's brief itself, demonstrates that settlement discussions were occurring over time and that Applicant's counsel understood that Opposer was seeking to avoid unnecessary efforts in the opposition proceedings should a reasonable settlement be reached. In fact, until Applicant's counsel drew the line in the sand on no extension of discovery dates, the Opposer did not commence discovery. The argument that Opposer had somehow lost interest in these proceedings is absurd in light of the fact that Applicant's brief and the attached Exhibits show Opposer as trying to advance settlement, as well as extend dates in the proceedings to allow for settlement. It was only when Applicant refused to extend the discovery date and was attempting to use that as an opportunity to push through a more favorable settlement that Opposer had to commence with discovery and seemingly Applicant's brief even inherently recognizes that situation.

The blame that Applicant could not commence discovery on Opposer is also absurd. Applicant argues that Opposer did not provide Opposer's Initial Disclosure statement to allow for the commencement of discovery by Applicant. That is not a requirement under the rules for the Applicant to initiate discovery and it should be recognized that Applicant could have served discovery without Initial Disclosure Statements from Opposer. Moreover, the remedy for the non-service of Initial Disclosure Statements would be a Motion to Compel such statements, but that does not justify Applicant's counsel's allowing discovery to knowingly close and then for Applicant to seek to reopen the discovery time period based upon blaming Opposer.

Moreover, not only did Applicant's counsel knowingly allow discovery to close for the apparent purpose of gaining some tactical advantage in forcing ahead a more favorable settlement, but Applicant's counsel then waited over another five weeks before even moving to "extend", but really "reopen" the already closed time period. Under [Note 5.] of TBMP §509.01(b)(1) the Applicant has failed to provide with particularity the detailed facts on why it knowingly allowed the discovery date to close and then took no action immediately thereafter.

The Board after weighing the four factors involved denied a motion to reopen discovery where it was opposer's "oversight" in

failing to timely serve initial disclosures and seek an extension of the discovery period and held that does not constitute excusable neglect. *Pioneer Investment Services Company v. Brunswick Associates Ltd. Partnership*, 507 U.S. 380, 395 (1993); and *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d 1582, 1586 (TTAB 1997). See e.g., *Dating DNA LLC v. Imagini Holdings Ltd.*, 94 USPQ2d 1889, 1892-3 (TTAB 2010). The situation here by Applicant is even more egregious. In this situation Applicant was not held back by the fact that Applicant had not served timely Initial Disclosures, but instead was using an excuse that Opposer had not timely served disclosures. Worse yet is the situation that Applicant is admitting that it allowed the closure of the discovery time period without doing anything and even willfully refusing any extension to Opposer, with Applicant apparently seeking to gain some advantage in settlement by doing so. Excusable neglect does not occur where a party knowingly allows a date to close to gain a tactical advantage, but later decides that the advantage was not gained, so it now wants to do the opposite and what previously Applicant refused to Opposer. In fact, where the excuse was blamed on the other side the Board has held that there was no excusable neglect, for instance no excusable neglect where Plaintiff's counsel unreasonably relied on Defendant's counsel to sign and file Plaintiff's proposed stipulated Motion. *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d

1582, 1586-87 and at n.8 (TTAB 1997). Such pre-*Pioneer* cases include, e.g., *Hewlett-Packard Co. v. Olympus Corp.*, 931 F.2d 1551, 18 USPQ2d 1710, 1712 (Fed. Cir. 1991) [Note 4.]. Also, where a party knowingly misses a date and blames the other side the Board has routinely rejected that as an excuse. For instance, respondent's mistaken belief that counsel for petitioner would agree to an extension request did not relieve respondent of its duty to adhere to appropriate deadlines. See *Old Nutfield Brewing Co. v. Hudson Valley Brewing Co.*, 65 USPQ2d 1701, 1702 (TTAB 2002); *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d 1582, 1586 n.7 (TTAB 1997). See also *Giersch v. Scripps Networks Inc.*, 85 USPQ2d 1306, 1307-1308 (TTAB 2007). Even the failure to timely move to extend a date due to counsel's oversight, and mere existence of settlement negotiations, did not justify a party's inaction or delay. *Atlanta-Fulton County Zoo Inc. v. De Palma*, 45 USPQ2d 1858 (TTAB 1998).

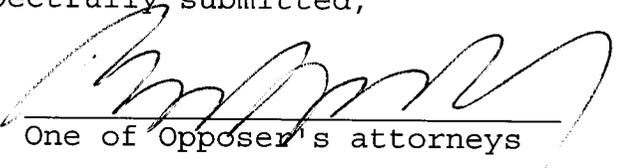
In the present situation it can clearly be seen that Applicant was willingly allowing the close of the discovery date to gain an advantage in settlement. Arguments that Opposer had lost interest in the proceedings are inconsistent with the arguments and Exhibits to Applicant's brief, which show ongoing interest in the proceedings. The Applicant's brief further demonstrates that it was Applicant who was seeking to gain some sort of tactical advantage in letting the date willingly close

for gaining an advantage on settlement, but now claims blame on the other side, because the Applicant's strategic tactic may not have succeeded. Applicant's counsel has not even meagerly attempted to follow the procedures on showing excusable neglect. For all of the foregoing rationale, it is respectfully requested that Applicant's Motion be denied.

Respectfully submitted,

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By:


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CERTIFICATE OF MAILING

I hereby certify that this correspondence is being deposited with the United States Postal Service as First Class Mail addressed to ATTN: TTAB-NO FEE, Commissioner for Trademarks, U.S. Trademark Office, P.O. Box 1451, Alexandria, VA 22313-1451 on October 3, 2012.


Burton S. Ehrlich

CERTIFICATE OF SERVICE

The undersigned, one of Opposer's attorneys, hereby certifies that on October 3, 2012, he caused a true and correct copies of the foregoing OPPOSER'S RESPONSE TO MOTION TO REOPEN DISCOVERY CUTOFF to be served upon Applicant by First Class mail, postage pre-paid, at the following address:

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