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

Proceeding	91204288
Party	Plaintiff NetApp, Inc.
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Attachments	Opposition to Applicant's Motion for Leave to File Late Answer.pdf (5 pages) (345794 bytes)

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

In the matter of application Serial No. 85/355,876

Filed June 24, 2011

For the mark **APPNETA**

Published in the OFFICIAL GAZETTE on November 15, 2011

NETAPP, INC., a Delaware corporation,

Opposer,

v.

APPNETA, INC., a Delaware corporation,

Applicant.

Opposition No.: 91/204,288

**OPPOSITION TO APPLICANT'S MOTION FOR LEAVE TO FILE LATE ANSWER
OR, IN THE ALTERNATIVE, MOTION TO STRIKE APPLICANT'S SO-CALLED
AFFIRMATIVE DEFENSE FROM ITS PROPOSED ANSWER**

For each of the reasons set forth below, Opposer NetApp, Inc. ("NetApp") opposes the Motion of AppNeta, Inc. ("AppNeta") or, alternatively, moves to strike the alleged affirmative defense asserted in AppNeta's belated, proposed Answer.

First and foremost, AppNeta has failed to establish good cause as required by the Board's Notice of Default. Until the filing of the Motion, AppNeta's prior counsel remained counsel of record and did not seek to withdraw or otherwise notify NetApp or the Board that it was no longer counsel of record. Indeed, AppNeta's new counsel only relies on conclusory and vague statements, refusing to justify how the Opposition has remained unanswered for nearly three months from its filing.

FACTUAL BACKGROUND

NetApp timely filed a Notice of Opposition in this proceeding on March 13, 2012, approximately three (3) months ago, based on its long-held NetApp® trademark rights, which

have been in use and registered for over a decade. On that same day, the Board issued its Order setting the April 22, 2012 deadline for AppNeta's answer to the Notice of Opposition. Applicant did not file an Answer on or before April 22, 2012, or any other document. Instead, on May 7, 2012, the Board issued a Notice of Default. Nearly three weeks later, new counsel for AppNeta contacted NetApp and filed this motion without *any* supporting testimony or evidence, only relying on conclusory statements.

ARGUMENT

The parties agree that the standard for setting aside a default for failure to answer is whether the applicant has shown good cause why judgment should not be entered against it. T.B.M.P. § 312. Good cause why default judgment should not be entered against a defendant for failure to file a timely answer to the complaint may be found only when the *defendant shows* that (1) the delay in filing an answer was not the result of willful conduct or *gross neglect* on the part of the defendant, (2) the plaintiff will not be substantially prejudiced by the delay, *and* (3) the defendant has a meritorious defense to the action. T.B.M.P. § 312.02.

Entry of judgment is appropriate in this proceeding because AppNeta has not come forth with evidence supporting any of these factors. All of AppNeta's statements are conclusory and vague, at best, not supported by anything but bald summary language. By way of example, AppNeta has failed to demonstrate any justification for its total inaction for effectively three months. AppNeta's current counsel merely concludes that "[b]y inadvertence, the applicant overlooked the deadline for filing the answer to the notice of opposition and did not become [sic] aware of this oversight until receipt of the show cause order." Missing from these conclusory statements is any statement of *when* AppNeta learned of the Opposition, *when* Applicant learned its prior counsel had a conflict, *what its prior counsel advised AppNeta to do*, *why its prior*

counsel did not withdraw or advise NetApp or the Board before the Answer was due of the conflict, and what steps and when AppNeta took action to find new counsel. It has been held that a deliberate decision to ignore the deadline, for example, suffices to defeat good cause to overcome a default. *See DeLorme Publishing Co. v. Eartha's Inc.*, 60 U.S.P.Q.2d 1222, 1224, *citing Gucci Amer. Inc. v. Gold Center Jewelry*, 158 F.3d 631, 48 U.S.P.Q.2d 1371, 1374 (2d Cir. 1998) (default need only be supported by a finding that the defendant acted deliberately).

In the Motion, AppNeta also summarily represents “that there is no likelihood of confusion between its trademarks and the ones alleged by the opposer.” Here too, AppNeta relies on conclusory statements. This conclusory allegation does not address how an entity in the same business as NetApp can register without a likelihood of confusion the transposition of the incontestable NetApp® word mark, which has been registered and in use for over a decade, and is the only registered NetApp® mark. *See In re Nationwide Indus., Inc.*, 6 U.S.P.Q.2d 1882, 1884 (T.T.A.B. 1988) (holding RUST BUSTER (with “RUST” disclaimed) for rust-penetrating spray lubricant, and BUST RUST for penetrating oil, likely to cause confusion); *In re Gen. Tire & Rubber Co.*, 213 U.S.P.Q. 870, 871 (T.T.A.B. 1982) (holding SPRINT STEEL RADIAL (with “STEEL” and “RADIAL” disclaimed) for pneumatic tires, and RADIAL SPRINT (with “RADIAL” disclaimed) for radial tires, likely to cause confusion). Remarkably, AppNeta’s own officer worked at NetApp and recognizes NetApp as “the original ‘network appliance’ company.” *See* Declaration of Leigha Weinberg and Exhibit A thereto.

Yet, AppNeta summarily claims meritorious defenses to the action. Revealingly, AppNeta alleges as its sole affirmative defense that “Applicant will rely on any and all valid defenses....” On its face, this affirmative defense violates well-accepted case law that holds this is not a cognizable affirmative defense. Affirmative defenses have to be specified. They cannot

PROOF OF SERVICE

I declare:

I am and was at the time of the service mentioned in this declaration, employed in the County of San Francisco, California. I am over the age of 18 years and not a party to this cause. My business address is Spear Street Tower, One Market, **San Francisco**, California 94105.

On **June 8, 2012**, I served a copy(ies) of the following document(s)

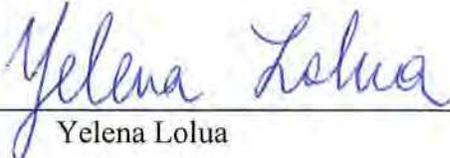
OPPOSITION TO APPLICANT'S MOTION FOR LEAVE TO FILE LATE ANSWER OR, IN THE ALTERNATIVE, MOTION TO STRIKE APPLICANT'S SO-CALLED AFFIRMATIVE DEFENSE FROM ITS PROPOSED ANSWER

by placing them in a sealed envelope(s) addressed as follows:

**KATHRYN JENNISON SHULTZ
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2001 JEFFERSON DAVIS HIGHWAY – SUITE 1102
ARLINGTON, VIRGINIA 22202**

I placed the sealed envelope(s) for collection and mailing by following the ordinary business practices of Morgan, Lewis & Bockius LLP, **San Francisco**, California. I am readily familiar with Morgan, Lewis & Bockius LLP's practice for collecting and processing of correspondence for mailing with the United States Postal Service, said practice being that, in the ordinary course of business, correspondence (with postage fully prepaid) is deposited with the United States Postal Service the same day as it is placed for collection.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct, and that this declaration was executed on **June 8, 2012**, at San Francisco, California.



Yelena Lolua