

UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451  
General Contact Number: 571-272-8500

Mailed: September 6, 2016

Opposition No. 91219179

*Spliethoff's Bevrachtingskantoor B.V.*

*v.*

*United Yacht Transport LLC dba United  
Yacht Transport*

**Michael Webster, Interlocutory Attorney:**

On June 7, 2016, Opposer filed a motion for leave to file its third amended notice of opposition in addition to a motion to suspend the proceeding pending the Board's determination of its motion. On June 15, 2016, Applicant filed a notice of taking deposition on written questions along with a consented motion to extend the discovery period and pretrial deadlines by 90 days or, in the alternative, to suspend the proceeding.<sup>1</sup> On June 16, the Board suspended proceedings pursuant to Trademark Rule 2.124(d)(2) in order to allow the parties sufficient time in which to complete the discovery deposition on written questions.<sup>2</sup> Despite the Board's order suspending the proceeding (and the parties' requests to suspend), the parties subsequently filed the following motions/briefs:

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<sup>1</sup> The alternative motion to suspend the proceeding is unconsented.

<sup>2</sup> In view of the Board's suspension order, the parties' respective motions to suspend are deemed moot.

- Applicant's motion (filed June 22, 2016) for leave to file a response to Opposer's June 7, 2016 motion for leave to file third amended pleading and response in opposition to motion for leave to amend pleading;
- Applicant's motion (filed June 23, 2016) for leave to file motion for issuance of letters of request for international judicial assistance pursuant to the Hague convention related to the taking of the deposition on written questions;
- Opposer's motion (filed July 4, 2016) for leave to file a reply in support of its motion for leave to file a third amended notice of opposition along with Opposer's reply brief;
- Opposer's motion (filed July 14, 2016) for reconsideration/clarification of the scope of the Board's June 16, 2016 suspension order;
- Applicant's response (filed August 5, 2016) in opposition to Opposer's motion for reconsideration/clarification of the Board's suspension order;
- Opposer's reply (filed August 17, 2016) in support of its motion for reconsideration/clarification of the scope of the Board's suspension order;
- Applicant's motion (filed August 19, 2016) for letters of request for international judicial assistance pursuant to the Hague convention related to the taking of deposition on written questions;
- Opposer's motion (filed August 23, 2016) for leave to file motion for summary judgment filed concurrently with Opposer's motion for summary judgment and supporting declaration.

**Opposer's Motion for Leave to File Third Amended Pleading**

Inasmuch as Opposer's motion for leave to file a third amended notice of opposition was filed prior to the Board's suspension order and because the motion is fully briefed, the Board, in its discretion, considers merits of the motion for leave to amend the pleading and the parties' briefs related to the motion.

By its motion, Opposer seeks to add "the additional ground of lack of priority based on 'unlawful use' . . . and to include supporting factual allegations that Applicant's yacht transport services using the [subject] Mark prior to February 8, 2016 were in

violation of the Shipping Act of 1984.”<sup>3</sup> Opposer argues that the amendment is timely inasmuch as Applicant’s failure to comply with the licensing requirements of the Shipping Act first came to counsel for Opposer’s attention in late March 2016 when Applicant first published its common carrier license number on its website; thus, leading Opposer to investigate the issuance of the license.<sup>4</sup>

Applicant argues that the motion is untimely because the information regarding the additional claim was well within Opposer’s knowledge or ability to obtain prior to filing the proceeding, but Opposer waited a year and seven months before moving to amend the pleading to add the claim. Applicant contends that the absence of the license number on Applicant’s website should have raised questions with Opposer at an earlier time and that the information regarding the status of Applicant’s license was likewise available to the general public.

In reply, Opposer argues that it promptly filed its motion for leave to amend as soon as it obtained the evidence regarding Applicant’s alleged unlawful use and that Applicant’s publication of the license number on its website was the factor that prompted Opposer’s investigation of whether Applicant’s use was lawful. Opposer further responds that the Maritime Commission’s Bureau of Enforcement did not begin to investigate Applicant until 2015 and the information pertaining to the investigation was not available to the general public until after the investigation was closed.

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<sup>3</sup> 23 TTABVUE at 2.

<sup>4</sup> Opposer also states that it served written discovery on Applicant regarding Applicant’s shipping license and that Applicant objected to said discovery based on relevance.

Pursuant to Fed. R. Civ. P. 15(a), the Board should freely grant leave to amend pleadings “when justice so requires.” However, if allowance of the amendment would cause undue prejudice to the nonmoving party or be futile, amendment will be denied. *See Foman v. Davis*, 371 U.S. 178, 182 (1962); *American Optical Corp. v. American Olean Tile Co., Inc.*, 168 USPQ 471, 473 (TTAB 1971). Therefore, the Board must consider whether there is any undue prejudice to Respondent and whether the amendment is legally sufficient.

The timing of the motion for leave to amend the pleading plays a significant role in determining whether Applicant will be unduly prejudiced by allowance of the proposed amendment. *See TBMP § 507.02(a) (2016) and cases cited therein.* A long delay in filing a motion for leave to amend when there is no question of newly discovered evidence may render the amendment untimely. *Black & Decker Corp. v. Emerson Electric Co.*, 84 USPQ2d 1482, 1486 (TTAB 2007).

Turning first to the legal sufficiency of the proposed amended claim in the third amended notice of opposition, the Board need not determine the merits of the proposed claims or allegations, but merely satisfy itself that the plaintiff alleged sufficient facts to state a claim upon which, if proved, relief can be granted. *Polaris Industries Inc. v. D.C. Comics*, 59 USPQ2d 1798, 1799 n.4 (TTAB 2000). All of a plaintiff's well-pleaded allegations in must be accepted as true and the amended complaint must be construed in the light most favorable to the plaintiff. *See Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d 1038 (Fed. Cir. 1993).

Initially, the Board notes that Opposer, by its proposed amendment, does not seek to add a new claim. Applicant seeks to add grounds of lack of priority based on unlawful use to the pleaded claim of priority and likelihood of confusion. In this case, the Board finds that Applicant has included sufficient factual assertions to support its allegation that Opposer's mark was not in lawful use in commerce prior to February 8, 2016. *See Gray v. Daffy Dan's Bargaintown*, 823 F.2d 522, 3 USPQ2d 1306, 1308 (Fed. Cir. 1987); *see also*, 15 U.S.C. § 1127.

With respect to the timing of Opposer's third motion to amend the pleading, the Board notes that the discovery period was open at the time the motion was filed.<sup>5</sup> *See, e.g., Karsten Manufacturing Corp. v. Editoy AG*, 79 USPQ2d 1783, 1786 (TTAB 2006) (motion for leave to amend pleading granted because grounds for new claim was learned during discovery). In addition, the Board finds that Opposer has not unduly delayed in filing the motion. Opposer filed the motion for leave to amend within a reasonable period after discovering facts regarding the issue through investigations during the discovery period. Facts regarding the alleged unlawful use were not within Opposer's knowledge at the time the opposition was filed. Opposer reasonably presumed that Applicant's claimed use of the mark was lawful and promptly investigated the claim when facts indicating the possibility of the additional grounds were discovered. Applicant has pointed to no reasonable inaction by Opposer that would support its claim that Opposer unduly delayed. Further, while Applicant argues that it would suffer prejudice if Opposer is permitted to add its new grounds,

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<sup>5</sup> Discovery was scheduled to close on June 29, 2016. 24 TTABVUE at 1.

Applicant has not identified any specific prejudice that would result from the added claim or the delay in receiving notice of the allegations. *See Prosper Business Development Corp. v. International Business Machines, Corp.*, 113 USPQ2d 1148, 1152 (TTAB 2014) (motion for leave to amend to file second amended notice of opposition granted where nonmoving party could point to no specific prejudice in allowing the amendment). Accordingly, Opposer's motion for leave to amend the pleading to add allegations of unlawful use is **GRANTED**.

**Motion for Reconsideration/Clarification of Suspension Order**

The Board turns next to Opposer's fully-briefed motion for reconsideration and clarification of the Board's June 16, 2016 order suspending the opposition proceedings in order to allow the parties time to complete the deposition on written questions.

By its motion, Opposer requests that the Board narrow the scope of the suspension order to allow Opposer to move forward with discovery and motions (discovery, dispositive or other) regarding its claims that are unrelated to the claim that is the subject of the deposition on written questions. Opposer argues that to allow Opposer to file a motion to compel responses to outstanding written discovery regarding unrelated claims or to file a motion for summary judgment on any opposition ground other than Applicant's prior use of the mark would not interfere with the "orderly completion" of Applicant's deposition on written questions of a foreign party.<sup>6</sup> Opposer further argues that it is prejudiced by the suspension of the proceedings because the suspension stops "all forward progress in this proceeding for an indefinite

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<sup>6</sup> 37 TTABVUE at 7.

and lengthy time period and unfairly ‘hamstrings’ Spliethoff from completing its discovery and filing motions in this case” related to grounds other than the claim that is the subject of the deposition on written questions.<sup>7</sup>

Applicant opposes the motion to narrow the scope of the suspension order and argues that Opposer’s proposal “would necessarily result in ineffective and inefficient management of this case, and would unfairly burden the parties and witnesses.”<sup>8</sup> Additionally, Applicant argues that the deposition is not only critical to the question of priority, but also to Opposer’s first claim of fraud, in particular Applicant’s belief that it was the owner of the mark at the time of filing the application. Thus, dispositive determinations cannot be made on other issues during suspension for the deposition. Further, Applicant contends that separating the claims and allowing dispositive motions directed at certain claims not at issue in the international discovery would lead to multiple dispositive motions requiring rulings by the Board before and after the completion of the international discovery.

In reply, Opposer argues that its approach to managing the proceeding without suspending in its entirety “would make good use of the lengthy period anticipated for Applicant’s international discovery” and would allow Opposer to file motions to compel concerning discovery disputes regarding Opposer’s written discovery requests and to obtain rulings from the Board on the merits of its opposition claims which are unrelated to Applicant’s proposed international discovery.<sup>9</sup>

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<sup>7</sup> *Id.* at 8.

<sup>8</sup> 43 TTABVUE at 4.

<sup>9</sup> *Id.* at 7.

Pursuant to Trademark Rule 2.124(d)(2), the Board will generally suspend or reschedule other proceedings in the case to allow for the orderly completion of the depositions. The power to stay a proceeding flows from the Board's inherent power to manage a proceeding and schedule its disposition. See Trademark Rule 2.117; *Schering-Plough Animal Health Corp. v. Aqua Gen AS*, 90 USPQ2d 1184, 1185 (TTAB 2009).

Upon careful consideration of the arguments of the parties, the Board finds that Opposer has not established that it is or would be unduly prejudiced by suspension of the proceeding in its entirety. Further, in view of the parties' actions in this proceeding, particularly during a period of suspension, it is in the interest and discretion of the Board to manage the proceeding and prevent the filing of further discovery motions at this time. Accordingly, Opposer's motion to narrow the Board's suspension order dated June 16, 2016, and to allow further motions (discovery and dispositive) during the suspension period is **DENIED**.

**Applicant's Motion for Leave to file Motion for Letters of Request**

With respect to Applicant's motion (filed June 23, 2016) for leave to file a motion for issuance of letters of request for international judicial assistance pursuant to the Hague convention related to the taking of the deposition on written questions, the motion for leave is **GRANTED** inasmuch as the motion is germane to the deposition on written questions.

**Opposer's Motion for Summary Judgment**

In view of the Board's determination, above, regarding the order suspending the proceeding pending Applicant's deposition on written questions, Opposer's motion for leave to file a motion for summary judgment during the suspension period is **DENIED**. Accordingly, Opposer's motion for summary judgment filed concurrently therewith will be given no consideration.

**Summary**

In summary, Opposer's motion for leave to amend the proceeding is **GRANTED**; Opposer's motion to narrow the Board's suspension order is **DENIED**; Applicant's motion for leave to file a motion for letters of request for international judicial assistance **GRANTED**; and Opposer's motion for leave to file a motion for summary judgment during suspension of the proceeding is **DENIED**.

Proceedings herein are **SUSPENDED** pending disposition of Applicant's motion for letters of request for international judicial assistance pursuant to the Hague convention. The parties should NOT file any paper that is not germane to the motion. Discovery and trial dates will be reset and suspension of the proceedings reconsidered upon determination of the motion.