

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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BUO

Mailed: February 10, 2016

Opposition No. 91221325 (Parent)
Cancellation No. 92061202

Red Bull GmbH

v.

JORDI NOGUES, S.L.

Benjamin U. Okeke, Interlocutory Attorney:

This case comes up on Applicant's request for reconsideration of the Board's December 14, 2015 order, by which the Board exercised its discretion and suspended this proceeding pursuant to Trademark Rule 2.127(d). Applicant contends that a suspension order issued by the Board on December 1, 2015, ("the prior order") should control, despite the Board's December 14 corrective order. Opposer contests the request for reconsideration, asserting that Applicant's request is inappropriate for reconsideration as it constitutes a "rehash" of arguments previously made," and that in any event the Board's corrective order follows established Board practice and correctly applies Trademark Rule 2.127(d).

The Board, in its discretion, suggested that the request for reconsideration be resolved by telephone conference as permitted by TBMP § 502.06 (2015).¹ The conference was held on Friday, February 5, 2016. Participating in the conference were Opposer's counsel, Martin R. Greenstein and Angelique M. Riordan, Applicant's counsel, James T. Burton and Joshua Rupp,² and Board interlocutory attorney, Benjamin U. Okeke.

The Board carefully considered the comments made by the parties during the telephone conference, as well as the briefs on the request, and the record of this case in coming to a determination regarding the issues presented in the motions.

In light of the recent telephone conference, the Board presumes the parties' familiarity with the arguments made in their submissions, the facts of the proceeding, and particularly the facts that occasioned the filing of the request for reconsideration; therefore, those arguments and facts will only be recounted as necessary to explain the Board's decision.

During the telephone conference, the Board made the following findings and determinations:

Request for Reconsideration

Generally, the premise underlying a request for reconsideration, modification or clarification under Rule 2.127(b) is that, based on the facts before it and the

¹ Patent and Trademark Rule 1.2, 37 C.F.R. § 1.2, which requires all business with the USPTO be transacted in writing, is waived to the extent that Board attorneys or judges may accept from parties, or direct parties to present, oral recitations of procedural facts and presentations of argument.

² The appearance of James T. Burton as counsel for Applicant, filed January 11, 2016, is noted and the Board's records have been updated accordingly.

prevailing authorities, the Board erred in reaching the order or decision it issued. Such a motion may not properly be used to introduce additional evidence, nor should it be devoted simply to a reargument of the points presented in a brief on the original motion. Rather, the motion should be limited to a demonstration that based on the facts before it and the applicable law, the Board's ruling is in error and requires appropriate change. *See Vignette Corp. v. Marino*, 77 USPQ2d 1408, 1411 (TTAB 2005). In this case, the change sought by Applicant is a finding that Opposer's discovery obligations were not tolled by the filing of its motion for judgment on the pleadings and subsequent suspension of the proceeding pending resolution of that motion. Inasmuch as Applicant filed its request for reconsideration eight days after the order, the request is timely and may be considered. *See Trademark Rule 2.127(b)*, 37 CFR § 2.127(b) (request must be filed within one month).

Trademark Rule 2.127(d) reads in full:

When any party files a motion to dismiss, or a motion for judgment on the pleadings, or a motion for summary judgment, or any other motion which is potentially dispositive of a proceeding, the case will be suspended by the Trademark Trial and Appeal Board with respect to all matters not germane to the motion and no party should file any paper which is not germane to the motion except as otherwise specified in the Board's suspension order. If the case is not disposed of as a result of the motion, proceedings will be resumed pursuant to an order of the Board when the motion is decided.

37 C.F.R. § 2.127(d)

By contrast Trademark Rule 2.120(e)(2) reads in full:

When a party files a motion for an order to compel initial disclosures, expert testimony disclosure, or discovery, the case will be suspended by the Board with respect to all matters not germane to the motion. After the motion is filed and served, no party should file any paper that is not germane to the motion, except as otherwise specified in the Board's suspension order. Nor may any party serve any additional discovery until the period of suspension is lifted or expires by or under order of the Board. The filing of a motion to compel any disclosure or discovery shall not toll the time for a party to comply with any disclosure requirement or to respond to any outstanding discovery requests or to appear for any noticed discovery deposition.

In the prior order, the Board consolidated the involved cancellation and opposition proceedings, and also suspended the now consolidated proceeding in light of Opposer's motion for judgment on the pleadings filed November 12, 2015. In suspending the proceeding the prior order concludes:

Any paper filed during the pendency of this motion which is not relevant thereto will be given no consideration. This suspension order does not toll the time for either party to respond to any outstanding discovery or to serve expert or pretrial disclosures (footnotes and citation omitted).

13 TTABVUE 3.

Although the order cites to Trademark Rule 2.127(d), it is clear that the language used in the order unartfully mirrors that of Rule 2.120(e)(2), and is meant for application in a situation involving a non-dispositive motion.

Applicant aptly argues that notwithstanding the applicability of Trademark Rule 2.127(d), there is no bright-line rule that the Board must automatically suspend the proceeding in light of a potentially dispositive motion, and that suspension is within the discretion of the Board. Applicant is also correct in its

assertion that the language used at the end of the prior order is not inherently inconsistent with the strictures of Trademark Rule 2.127(d), which provides the Board discretion to decide whether or not to stay all activity in a proceeding in light of a potentially dispositive motion.

However, the Board's practice is to treat a proceeding that is being suspended under Trademark Rule 2.127(d) as if it had been suspended as of the filing date of the potentially dispositive motion. *See Leeds Techs. Ltd. v. Topaz Commc'ns Ltd.*, 65 USPQ2d 1303, 1305-06 (TTAB 2002); *Elec. Indus. Ass'n v. Potega*, 50 USPQ2d 1775, 1776 n.4 (TTAB 1999). Additionally, where such a suspension creates discovery issues, the Board may exercise its discretion to find that the filing of a potentially dispositive motion provides a party with good cause for not complying with an otherwise outstanding obligation, for example, responding to discovery requests. *See Leeds Techs. Ltd.*, 65 USPQ2d at 1306, 1307-08.

Therefore, according to the Trademark Rules of Practice and established law, suspension pending disposition of a potentially dispositive motion is within the Board's discretion, and where the Board finds good cause to do so, the Board may relieve a party of its outstanding discovery obligations in light of such a suspension. The narrowing of issues for trial or discovery is indeed the type of "good cause" that may warrant such relief.

Applicant itself attests to this discretion. 17 TTABVUE 9; 22 TTABVUE 7. Applicant has not argued, nor does the Board find that it has abused such discretion by correcting its application of Trademark Rule 2.127(d), a decision that was no less

in its discretion, but regrettably misapplied, in the prior order. Applicant's argument regarding prejudice is not sufficient to overcome this finding or warrant a change under these circumstances. Simply put, Applicant cannot now claim that it is prejudiced by having to continue to litigate this case, something it would have and should have been prepared to do notwithstanding the language of the suspension order.

Accordingly, the Board finds that inasmuch as the December 14, 2015 order corrects the prior order and appropriately applies Trademark Rule 2.127(d) and exercises the Board's discretion to stay all activity in the proceeding, Applicant's request for reconsideration is **DENIED**.³

The proceeding remains **SUSPENDED** pending disposition of Opposer's motion for judgment on the pleadings. The motion will be decided in due course. Dates will be reset upon resumption of the proceeding.^{4,5}

³ Applicant's contention that the Board's December 14, 2015 order contained "essentially no explanation" for the amendment is also unavailing. The Board's amended order discussed the legal standard for suspension and properly cited Trademark Rule 2.127(d). Nothing more was necessary to explain that the Board appropriately exercised its discretion in suspending the proceeding. Further argument by Applicant was superfluous and discussion of such argument was not necessary to explain the amendment of the order. *See Guess? IP Holder LP v. Knowlux LLC*, 116 USPQ2d 2018, 2019 (TTAB 2015). Thus, there was no error in not providing a lengthy explanation beyond the application of the appropriate Trademark Rule of practice and the Board's discretion. Indeed, one of the purposes of holding telephone conferences is to reduce the length of the resulting order as it is incumbent upon the parties to lodge their contentions during the conference and not thereafter in the form of requests for reconsideration. The same is true of this order. *Id.*

⁴ Additionally, in light of the record of this proceeding, the parties should not file any further unconsented or potentially contested motions without first seeking leave from the Board to do so. Such leave should be sought through a telephone conference between the parties and the assigned Board interlocutory attorney. Prior to seeking leave, the moving party is to contact the opposing party and agree to a mutually agreeable time(s) to propose to the Board for the conference. The moving party should disclose the nature of the motion and the purpose of the conference call. Any unconsented or potentially contested motion filed that does not reference such leave will be given no consideration.

⁵ Following resolution of the motion for judgment on the pleadings, the parties should be prepared to conduct regular status update conferences with the Board to ensure the orderly disposition of this proceeding.