

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

BUO

Mailed: June 8, 2016

Opposition No. 91224460

Council of Better Business Bureaus, Inc.

v.

Frank Rufus Serna

By the Trademark Trial and Appeal Board:

On October 20, 2015, the Board issued an order instituting this proceeding. By that order, November 29, 2015, was set as the deadline for Frank Rufus Serna (“Applicant”) to file his answer to the notice of opposition filed by Council of Better Business Bureaus, Inc. (“Opposer”). However, no answer or other responsive motion being filed as of December 16, 2015, the Board issued a notice of default against Applicant. Now before the Board is Applicant’s response to the notice of default, which we construe as a motion to set aside the default and accept Applicant’s late-filed answer. Opposer subsequently filed an opposition to Applicant’s request and seeking entry of default judgment against Applicant for failure to timely file its answer.

Although Applicant's motion for default judgment could simply be granted as conceded inasmuch as Opposer's response to the motion was untimely, the Board will, in its discretion, consider the motion on its merits. *See* Trademark Rule 2.127(a).

Motion to Set Aside Default Judgment

Whether default judgment should be entered against a party is determined in accordance with Fed. R. Civ. P. 55(c), which reads in pertinent part: "for good cause shown the court may set aside an entry of default." Generally, good cause to set aside a defendant's default will be found where the defendant's delay has not been willful or in bad faith, when prejudice to the plaintiff is lacking, and where defendant has a meritorious defense. *See Fred Hayman Beverly Hills, Inc. v. Jacques Bernier, Inc.*, 21 USPQ2d 1556(TTAB 1991).

In this case, the Board finds that Opposer is not prejudiced by Applicant's approximate eight-week late filing, and has not alleged any cognizable prejudice in its motion. However, it is important to note that mere delay does not constitute the type of prejudice envisioned by this rule, and Opposer can hardly complain that it would have to now proceed with the opposition — which Opposer would have had to do, and should have been prepared to do nonetheless, had Applicant not failed to timely file its answer.

Additionally, by filing an answer that purports to deny the fundamental allegations in the notice of opposition, Applicant has asserted its intent to raise a meritorious defense to the notice of opposition. Moreover, although Applicant provided a scant explanation as to why its answer was untimely filed, the record does

not currently support a finding that the reasons for Applicant's delay were willful or in bad faith.

In view of the foregoing, Applicant's default is **SET ASIDE**, and Applicant's answer to the notice of opposition is noted. However, as explained further below, the answer filed by Applicant is not in appropriate form and does not conform to the pleading standards set out in Fed. R. Civ. P. 8(b), and will require repleading.

Accordingly, inasmuch as the record indicates that Applicant intends to set forth a meritorious defense to the allegations, that any prejudice to Opposer is minimal, and that Applicant has not acted in bad faith or for the purpose of delay, Opposer's motion for default judgment is **DENIED**.

Amended Answer

The Board notes that the current "Answer" to the notice of opposition presents substantial argument regarding the merits of the case and is in improper format. Applicant's answer fails to provide fair notice of his claimed defenses.¹ *See* TBMP § 506.01 (purpose of pleadings is to provide fair notice of the claims and defenses asserted). An answer should merely state whether the claims of the complaint are admitted or denied, or that Applicant is without sufficient information to admit or deny the allegations in the notice of opposition. *See* Trademark Rule 2.106(b)(1); Fed. R. Civ. P. 8(b); *Hewlett-Packard Co. v. Olympus Corp.*, 931 F.2d 1551, 18 USPQ2d 1710, 1713 (Fed. Cir. 1991). Thus, the arguments in Applicant's answer will be given

¹ Additionally, the required certificate of service did not accompany the answer. *See* Trademark Rule 2.119(a). Applicant was informed that all papers filed before the Board in an *inter partes* proceeding must be served on the opposing party. Information regarding certificates of service is provided at the end of this order; applicant is strongly encouraged to review that information.

no consideration. (Applicant will have an opportunity to argue the merits of the case at trial or in connection with a dispositive motion.)

- *Format*

An answer should bear at its top the heading “IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD,” followed by the name of the proceeding (e.g., “*Council of Better Business Bureaus, Inc. v. Frank Rufus Serna*”), the proceeding number (e.g., “Opposition No. 91224460”), and a title describing the nature of the paper (e.g., “ANSWER,” “ANSWER AND COUNTERCLAIM,” etc.). See TBMP § 311.01(a).

As stated, the answer must contain admissions or denials of the allegations in the complaint and may include any defenses to those allegations. Applicant should not argue the merits of the allegations found in the complaint but rather should simply state, as to each of those allegations, that the allegation is either admitted or denied. See Trademark Rule 2.106(b)(1); Fed. R. Civ. P. 8(b); *Turner Entm’t Co. v. Ken Nelson*, 38 USPQ2d 1942 (TTAB 1996) (applicant’s answers were argumentative and nonresponsive and Board was ultimately forced to interpret the answer). If Applicant does not have sufficient information to admit or deny an allegation, Applicant may so state, and this statement will have the effect of a denial as to that allegation.

Just as the complaint, Applicant’s admissions or denials should also be made in numbered paragraphs corresponding to the numbered paragraphs in the complaint. See TBMP § 311.02(a).

Applicant may also assert any affirmative defenses he believes are appropriate. Affirmative defenses may include unclean hands, laches, estoppel, acquiescence, fraud, mistake, prior registration (*Morehouse*) defense, prior judgment, or any other matter constituting an avoidance, amplification or affirmative defense. *See* Trademark Rule 2.106(b)(1); *Order of Sons of Italy in Am. v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1222 (TTAB 1995).

For reference, an appropriate answer would appear as follows:

Paragraph 1. Denied.

Paragraph 2. Admitted.

Paragraph 3. Admitted as to <insert part of allegation admitted>,
but denied as to the remainder.

...

Further, if Applicant is without sufficient knowledge or information on which to form a belief as to the truth of any one of the allegations, he should so state and this will have the effect of a denial, *e.g.*:

Paragraph 4. Applicant is without sufficient knowledge to form a belief as to the truth or falsity of the allegations of paragraph 4, and therefore denies the same.

For additional information regarding the substance of an answer Applicant is referred to the Trademark Trial and Appeal Board Manual of Procedure (“TBMP”) § 311.01 *et seq.*

Finally, the answer, as all other papers filed during this proceeding, must be signed by Applicant and served on Opposer. *See* Trademark Rule 2.119(a)-(b). The answer must include proof that service has been made, *i.e.* a certificate of service,

consisting of a statement signed by the filing party, or by its attorney or other authorized representative, clearly stating the date and manner in which service was made. Applicant should review the “*Pro Se* Information” section below, which includes a sample certificate of service. The certificate of service should be attached to the filing to which it pertains, rather than being separately filed. Failure to include this proof of service with any papers filed may result in the Board not considering those papers. *See* Trademark Rule 2.119(a).

Schedule

Applicant is allowed **TWENTY DAYS** to file an amended answer to the notice of opposition. If Applicant fails to file an amended pleading in the time allowed default judgment may be entered against him. The remaining conferencing, disclosure, discovery, and trial dates are reset as follows:

Deadline for Discovery Conference	7/10/2016
Discovery Opens	7/10/2016
Initial Disclosures Due	8/9/2016
Expert Disclosures Due	12/7/2016
Discovery Closes	1/6/2017
Plaintiff’s Pretrial Disclosures	2/20/2017
Plaintiff’s 30-day Trial Period Ends	4/6/2017
Defendant’s Pretrial Disclosures	4/21/2017
Defendant’s 30-day Trial Period Ends	6/5/2017
Plaintiff’s Rebuttal Disclosures	6/20/2017
Plaintiff’s 15-day Rebuttal Period Ends	7/20/2017

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 taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

Pro Se Information

A. Representation

The Board notes that Applicant currently represents himself *pro se*, *i.e.* without assistance from a licensed attorney. It should be noted that, while Patent and Trademark Rule 11.14 permits any party to represent itself, it is advisable for a person who is not acquainted with the technicalities of the procedural and substantive law involved in a cancellation proceeding to secure the services of an attorney who is familiar with such matters. The Patent and Trademark Office cannot aid in the selection of an attorney. In addition, as the impartial decision maker, the Board may not provide legal advice, though it may provide general procedural information.

B. Nature of Board Proceedings

An opposition proceeding before the Board is similar in many ways to a civil action in a Federal district court. There are pleadings (notice of opposition, answers, and, sometimes, a counterclaim), a wide range of possible motions; discovery (a party's use of discovery depositions, interrogatories, requests for production of documents and things, and requests for admission to ascertain the facts underlying its adversary's case), a trial, and briefs, followed by a decision on the case. Unlike the case in a civil proceeding, the Board does not preside at the taking of testimony. Rather, all testimony is taken by deposition during the assigned testimony, or trial, periods, and

the written transcripts, together with any exhibits, are then filed with the Board. No paper, document, or exhibit will be considered as evidence in the case unless it has been introduced in evidence in accordance with the applicable rules.

C. Electronic Resources

All parties may refer to the Trademark Trial and Appeal Board Manual of Procedure (“TBMP”), the Trademark Act, and the Trademark Rules of Practice, all available on the USPTO website, www.uspto.gov. The TTAB homepage provides electronic access to the Board’s standard protective order, and answers to frequently asked questions. Other useful resources include the ESTTA filing system² for Board filings and TTABVUE for status and prosecution history.

Compliance with the Trademark Rules of Practice, and where applicable the Federal Rules of Civil Procedure, is expected of all parties before the Board, whether or not they are represented by counsel.

A. Service of Papers

Trademark Rule 2.119(a) and (b) require that every paper filed in the Patent and Trademark Office in a proceeding before the Board must be served upon the attorney

² Use of electronic filing with ESTTA —□as the parties have done so far□— is strongly encouraged. This electronic file system operates in real time and provides filers with confirmation that the filing has been received. When papers are filed through ESTTA, the papers must still be served on the other party to the proceeding.

If the parties have questions about or need assistance with ESTTA, they may call the Board at (571) 272-8500 or (800) 786-9199 (toll free) from 8:30 a.m. until 5:00 p.m. (EST).

While electronic filing is preferred, papers may also be filed by mail. The parties should refer to TBMP §§ 107-111 for information on filing by mail. If ESTTA filing is not possible for any reason, the filer should submit its papers by mail, with a certificate of mailing. *See* TBMP § 110 *et. seq.*

for the other party, or the other party itself, if unrepresented, and proof of such service must be made before the paper will be considered by the Board. Consequently, a signed statement indicating the date and manner in which such service was made must accompany copies of all papers that Applicant may file in this proceeding. The statement, whether attached to or appearing on the paper when filed, will be accepted as *prima facie* proof of service.

The following is an example of an acceptable Certificate of Service:

Certificate of Service

The undersigned certifies that a copy of the attached
<describe filing> was served, by first class mail, upon
Respondent at the following address:

John L. Beard
Butzel Long
1747 Pennsylvania Ave. NW, Suite 300
Washington, DC 20006,

on <insert date>.

/Frank R. Serna/