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Filing date: **07/21/2006**

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

| | |
|------------------------|--|
| Proceeding | 92043691 |
| Party | Defendant YELLOWTOP, NORTH AMERICA, INC. YELLOWTOP, NORTH AMERICA, INC. 1724 CLARKSON ROAD, SUITE 205 CHESTERFIELD, MO 63017 |
| Correspondence Address | YELLOWTOP, NORTH AMERICA, INC. 1724 CLARKSON ROAD, SUITE 205 CHESTERFIELD, MO 63017 |
| Submission | Other Motions/Papers |
| Filer's Name | Ronald N. Compton |
| Filer's e-mail | rcompton@scwh.com |
| Signature | /Ronald N. Compton/ |
| Date | 07/21/2006 |
| Attachments | Smart Broom.pdf (12 pages)(434860 bytes) |

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

In the matter of:

| | |
|------------------|------------------|
| Registration No. | 2513616 |
| For the Mark | SMART BROOM |
| Date Registered | December 4, 2001 |

| | | |
|---------------------------------|---|---------------------------|
| SMART INVENTIONS, INC., |) | |
| |) | |
| Petitioner, |) | |
| |) | Cancellation No. 92043691 |
| v. |) | |
| |) | |
| YELLOWTOP, NORTH AMERICA, INC., |) | |
| |) | |
| Respondent. |) | |

**MOVANT’S REPLY IN SUPPORT OF
MOTION TO SET ASIDE DEFAULT JUDGMENT**

Comes now TMB PRODUCTS, LLC and TMB PRODUCTS DEVELOPMENT, L.L.C., Movant, through their counsel SUMMERS, COMPTON, WELLS & HAMBURG, P.C., by Ronald N. Compton, and for their Motion to Set Aside Default Judgment, pursuant to the requirements of Section 312.03 of the Trademark Trial and Appeal Board Manual of Procedure (“TBMP”) and Rules 55(b) and 60(b) of the Federal Rules of Civil Procedure, respectfully state as follows:

Movant hereby requests that the Trademark Trial and Appeal Board (the “TTAB”) consider the accompanying memorandum of support pursuant to Section 502.02(b) of the TBMP. The memorandum provides additional support for the motion and responds to “Plaintiff’s Opposition to Motion to Set Aside Default Judgment” filed by Petitioner. As explained further in the memorandum, the TTAB lacked jurisdiction over Movant, the owner of record of Registration No. 2513616 (the “Registration”), due to the TTAB’s failure to provide notice of Cancellation

Proceeding No. 92043691 to Movant. This is an uncontested fact that is apparent on the face of the record. As a result, the default judgment entered in such proceeding is void due to lack of jurisdiction. Good cause therefore exists to set aside the default judgment as void.

WHEREFORE, Movant moves the TTAB to set aside the judgment entered against Respondent and in favor of Petitioner on January 6, 2005, to reinstate Registration No. 2513616, and for such other and further relief as the TTAB deems just and proper.

Respectfully submitted,

Summers, Compton, Wells & Hamburg, P.C.



By:

Ronald N. Compton
Reg. No. 25,843
Attorneys for Movant
8909 Ladue Road
St. Louis, Missouri 63124
(314) 991-4999

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing Movant's Reply in Support of Motion to Set Aside Default Judgment has been served on Paul D. Supnik by mailing said copy on July 21, 2006, via Certified Mail, Return Receipt Requested, addressed to: Smart Inventions, Inc., Paul D. Supnik, its Attorney, 9601 Wilshire Boulevard, Suite 828, Beverly Hills, CA 90210-5210.

Summers, Compton, Wells & Hamburg, P.C.

By:

Ronald N. Compton

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

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| Registration No. | 2513616 |
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| SMART INVENTIONS, INC., |) | |
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| Petitioner, |) | |
| |) | Cancellation No. 92043691 |
| v. |) | |
| |) | |
| YELLOWTOP, NORTH AMERICA, INC., |) | |
| |) | |
| Respondent. |) | |

**MEMORANDUM IN SUPPORT OF
MOVANT'S REPLY IN SUPPORT OF
MOTION TO SET ASIDE DEFAULT JUDGMENT**

I. INTRODUCTION

TMB PRODUCTS, LLC and TMB PRODUCTS DEVELOPMENT, L.L.C., Movant, have moved, pursuant to Fed. R. Civ. P. 60(b), for the TTAB to set aside the default judgment entered on January 6, 2006, against Respondent, regarding U.S. Registration No. 2513616 (the "Registration"), on the grounds that the judgment was void. In particular, the judgment is void due to the failure of the Trademark Trial and Appeal Board (the "TTAB") to provide notice to Movant, as the owner of record of the Registration, as required by Trademark Rule 2.113(c). 37 C.F.R. § 2.113(c) (2006). Absent proper notice to the owner of the Registration, the TTAB lacked jurisdiction to issue judgment in the cancellation proceeding. Absent jurisdiction, the judgment is void and must be set aside under Fed. R. Civ. P. 60(b).

II. BACKGROUND

This motion relates to Cancellation Proceeding No. 92043691, which was initiated by Petitioner for cancellation of the Registration. The mark in question consists of the words "SMART BROOM." The Registration was obtained pursuant to Section 1(a) of the Trademark Act.

A more detailed timeline of the events and actions taken by the parties concerning the Registration is attached as Exhibit A. The pertinent events to this motion are as follows. On December 4, 2001, registration for the word mark "SMART BROOM" was granted to Respondent as Registration No. 2513616. On May 25, 2004, an assignment of Registration No. 2513616 from Respondent to TMB Products, L.L.C. n/k/a TMB Products Development, L.L.C. was recorded with the U.S. Patent and Trademark Office (the "Trademark Office") on Reel 2975 Frame 0426, thereby making TMB Products Development, L.L.C. the owner of record of the Registration at that time.

On September 16, 2004, Petitioner filed a Petition for Cancellation of Registration No. 2513616. On September 16, 2004, the Petition for Cancellation of Registration was assigned Cause No. 92043691 and cancellation proceedings were initiated by the TTAB against Respondent. The TTAB erroneously mailed a copy of the Petition for Cancellation to Respondent, and not Movant, on September 16, 2004. The original service copy of the Petition for Cancellation of Registration was returned to the TTAB unclaimed and undelivered. An answer to the Petition for Cancellation was required by October 26, 2004. When Respondent failed to file an answer, a notice of default was entered on November 12, 2004. Due to the continued failure to file an answer, default judgment was entered on January 6, 2005, against Respondent, and Registration No. 2513616 was cancelled. As set forth in the accompanying affidavit of Paul Temme, Movant failed to receive any of the documents mailed by the TTAB relating to the cancellation proceeding. (See Exhibit B.) On June 19, 2006, Movant filed a Motion to Set Aside Default Judgment. On July 7, 2006, Petitioner filed Plaintiff's Opposition to Motion to Set Aside Default Judgment.

The documents filed to date regarding this motion consist of Movant's "Motion to Set Aside Default Judgment" and Petitioner's "Plaintiff's Opposition to Motion to Set Aside Default Judgment."

The sole issue presented by this motion is whether the default judgment which cancelled the Registration should be set aside as void and the Registration thereby be reinstated, in view of the lack of notice to Movant and the TTAB's resultant lack of jurisdiction to cancel the Registration.

III. ARGUMENT

The Default Judgment is Void Because the TTAB Lacked Jurisdiction Over the Owner of the Registration.

The TTAB lacked jurisdiction over Movant, the owner of the Registration, and therefore, the default judgment is void. A default judgment may be set aside under Fed. R. Civ. P. 60(b)(4) and TBMP Section 312.03 if the judgment is void. A judgment is void if the rendering body lacked jurisdiction over the parties. *Broyhill Furniture Indus., Inc. v. Craftmaster Furniture Corp.*, 12 F.3d 1080, 1084, 29 U.S.P.Q.2d 1283 , 1286 (Fed. Cir. 1993); *Jack Lenor Larsen, Inc. v. Chas. O. Larson Co.*, 44 U.S.P.Q.2d 1950, 1953 (TTAB 1997); see also Wright, Miller & Kane, *Federal Practice and Procedure: Civil 2d* § 2862 (2006). A lack of jurisdiction exists if the defending party does not receive notice of the proceedings. *Broyhill*, 12 F.3d at 1084, 29 U.S.P.Q.2d at 1286 (citing *Combs v. Nick Garin Trucking*, 825 F.2d 437, 442 (D.C. Cir. 1987)); see *Jack Lenor Larson*, 44 U.S.P.Q.2d at 1953; see also Wright, Miller & Kane, *supra*, § 2862. Here, Movant, the owner of the Registration, was not notified of the cancellation proceeding by the TTAB. Therefore, the TTAB lacked jurisdiction over the owner of the Registration, the default judgment is void, and the judgment must be set aside by the TTAB.

A judgment is either void or valid, and if it is void, "it must be set aside." *Jack Lenor Larson*, 44 U.S.P.Q.2d at 1953; see also Wright, Miller & Kane, *supra*, § 2862. Despite Petitioner's contention to the contrary, the TTAB has no discretion in deciding whether a

judgment is void. *Jack Lenor Larson*, 44 U.S.P.Q.2d at 1953 (stating that “under Federal Rule 60(b)(4), there is no balancing act to perform or discretion to exercise”). Instead, if a judgment is void, it must be set aside without regard to any potential hardship to the petitioner or other parties or any willful conduct by the movant. See Wright, Miller & Kane, *supra*, § 2862. Such, there is no time limit on an attack to a judgment as void, and the defense of laches does not apply. See *Jackson v. Fie Corp.*, 302 F.3d 515, 523-524 (5th Cir. 2002) (stating that “the mere passage of time cannot convert an absolutely void judgment into a valid one”); *Precision Etchings & Findings, Inc. v. LGP Gem, Ltd.*, 953 F.2d 21, 23 (1st Cir. 1992); Wright, Miller & Kane, *supra*, § 2862. Furthermore, unlike other Fed. R. Civ. P. 60(b) motions, a motion pursuant to Fed. R. Civ. P. 60(b)(4) does not require a meritorious defense. See *Hicklin v. Edwards*, 226 F.2d 410, 414 (8th Cir. 1955); Wright, Miller & Kane, *supra*, § 2862. Therefore, Movant is only required to show that the TTAB lacked jurisdiction to cancel the Registration, and if so, the default judgment is void and must be set aside.

A judgment is void for lack of jurisdiction if proper service of process is not made on a party or if the rendering body otherwise fails to act in accordance with due process of law. *Broyhill*, 12 F.3d at 1084, 29 U.S.P.Q.2d at 1286 (citing *Combs*, 825 F.2d at 442); see *Jack Lenor Larson*, 44 U.S.P.Q.2d at 1953; see also Wright, Miller & Kane, *supra*, § 2862. Trademark Rule 2.113(c) provides the process by which the TTAB will serve notice of a cancellation proceeding on the owner of the registration. 37 C.F.R. § 2.113(c) (2006). Additionally, TBMP Section 310.01 expressly states that the TTAB will review any assignments of a subject registration to identify the current owner before sending out notice. If the TTAB does not notify the owner of a registration that a cancellation proceeding is pending regarding the owner's mark, then the TTAB lacks jurisdiction, and any rendered judgment in the matter is void. The lack of notification is a failure of proper service of process and a failure to act in accordance with due process of law, thereby preventing jurisdiction over the owner.

Here, Movant is the owner of the Registration, as indicated in the information recorded with the Trademark Office prior to the filing of the Petition for Cancellation. Upon filing of the

Petition for Cancellation, the TTAB erroneously sent notice of the proceeding, and all subsequent relevant documents, to Respondent, the prior holder of title to the Registration. Movant has evidence that at least one of these notices was returned by the U.S. Postal Service to the Trademark Office as undeliverable. (See Exhibit C.) The TTAB failed to provide proper notice of the cancellation proceeding to Movant, the owner of record of the Registration, as required by Trademark Rule 2.113(c) and due process of law. (See Exhibit B, the accompanying affidavit of Paul Temme.) Therefore, because Movant was not notified of the proceeding, the TTAB lacked jurisdiction over Movant, and the default judgment is void and must be set aside.

IV. CONCLUSION AND PRAYER FOR RELIEF

The present memorandum sets forth the facts and law that require the default judgment to be set aside as void due to the TTAB's failure to provide notice to Movant of the cancellation proceeding and TTAB's resultant lack of jurisdiction over Movant.

WHEREFORE, Movant moves this Court to set aside the judgment entered against Respondent and in favor of Petitioner on January 6, 2005, reinstate Registration No. 2513616, and for such other and further relief as this Court deems just and proper.

Respectfully submitted,

Summers, Compton, Wells & Hamburg, P.C.

By:



Ronald N. Compton
Reg. No. 25,843
Attorneys for Movant
8909 Ladue Road
St. Louis, Missouri 63124
(314) 991-4999

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing Memorandum in Support of Movant's Reply in Support of Motion to Set Aside Default Judgment has been served on Paul D. Supnik by mailing said copy on July 21, 2006, via Certified Mail, Return Receipt Requested, addressed to: Smart Inventions, Inc., Paul D. Supnik, its Attorney, 9601 Wilshire Boulevard, Suite 828, Beverly Hills, CA 90210-5210.

Summers, Compton, Wells & Hamburg, P.C.

By: 

Ronald N. Compton

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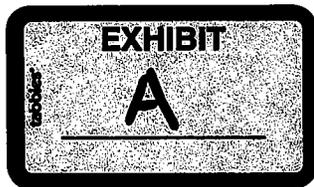
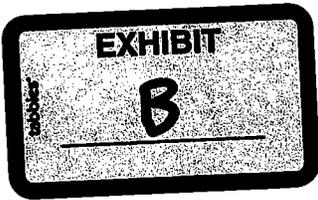


EXHIBIT A

TIMELINE OF EVENTS CONCERNING SMART BROOM® U.S. REGISTRATION NO. 2,513,616

| <u>Date</u> | <u>Event</u> |
|-------------|--|
| 6/23/1994 | <ul style="list-style-type: none">• Trademark Application filed for SMART BROOM SN: 74-542027 by Yellowtop, North America, Inc. ("Yellowtop"), with 4/18/1994 as the date of first use. |
| 1/25/1995 | <ul style="list-style-type: none">• Office Action issued due to earlier filed application by Smart Inventions, Inc. ("Smart Inventions") for SMART BROOM SN: 74-524539. |
| 2/3/1995 | <ul style="list-style-type: none">• Notified that SMART BROOM SN: 74-524539 had passed to issue and would be published. Yellowtop would be required to file Notice of Opposition within thirty days of publication if Yellowtop wanted to pursue SMART BROOM SN: 74-542027 mark. |
| 2/6/1995 | <ul style="list-style-type: none">• Yellowtop's counsel, Summers, Compton, Wells & Hamburg, P.C. ("SCWH") spoke with John Nokes, owner of SMART BROOM SN: 74-524539. John Nokes advised that he would be interested in resolving the issue and was asked to contact Paul Temme of Yellowtop to discuss a resolution. |
| 4/17/1995 | <ul style="list-style-type: none">• Yellowtop filed Notice of Opposition to SMART BROOM SN: 74-524359. |
| 4/17/1995 | <ul style="list-style-type: none">• Yellowtop filed Response to Office Action with USPTO. |
| 5/24/1995 | <ul style="list-style-type: none">• Office Action issued suspending SMART BROOM SN: 74-542027 application pending the disposition of SMART BROOM SN: 74-524359 application. |
| 7/5/1995 | <ul style="list-style-type: none">• USPTO sent notice to Smart Inventions that a Notice of Opposition had been filed. |
| 7/21/1995 | <ul style="list-style-type: none">• Yellowtop filed Opposer's First Set of Written Interrogatories and Opposer's First Request for Production of Documents and Things. |
| 8/14/1995 | <ul style="list-style-type: none">• Smart Inventions filed an Agreed Motion for Extension of Time to Respond to Notice of Opposition and to Discovery Requests. |
| 9/13/1995 | <ul style="list-style-type: none">• Smart Inventions filed Answer to Notice of Opposition, Response to Opposer's First Set of Written Interrogatories, and Response to Opposer's First Request for Production of Documents and Things. |
| 11/3/1995 | <ul style="list-style-type: none">• Smart Inventions filed Agreed Motion for Rescheduling of Discovery and Testimony Periods. |
| 11/7/1995 | <ul style="list-style-type: none">• USPTO issued Notice of Trial Dates. |
| 1/4/1996 | <ul style="list-style-type: none">• Smart Inventions filed Agreed Motion for Rescheduling of Discovery and Testimony Periods. |
| 2/22/1996 | <ul style="list-style-type: none">• USPTO issued Notice of Trial Dates. |
| 2/23/1996 | <ul style="list-style-type: none">• SCWH filed Motion to Withdraw as Counsel. |
| 4/18/1996 | <ul style="list-style-type: none">• USPTO issued statement regarding Motion to Withdraw as Counsel. |
| 4/25/1996 | <ul style="list-style-type: none">• SCWH filed Amended Motion to Withdraw as Counsel. |
| 6/17/1996 | <ul style="list-style-type: none">• USPTO issued statement withdrawing SCWH as counsel. |
| 6/6/1997 | <ul style="list-style-type: none">• Opposition was dismissed and terminated. |
| 12/31/1999 | <ul style="list-style-type: none">• SMART BROOM SN: 74-542027 was assigned, nunc pro tunc, from |

- Yellowtop, North America, Inc. to TMB Products, L.L.C., and such assignment listed new address.
- 1/12/2001 • SMART BROOM SN: 74-524359 was abandoned.
 - 9/11/2001 • SMART BROOM SN: 74-542027 was published.
 - 12/4/2001 • SMART BROOM SN: 74-542027 was registered as No. 2513616.
 - 8/28/2003 • Trademark Application filed for SMART MOP by Smart Inventions, with a date of first use of 8/1/1993.
 - 5/25/2004 • Nunc pro tunc assignment of SMART BROOM SN: 74-542027, effective as of 12/31/1999, was recorded with the USPTO.
 - 9/3/2004 • Smart Inventions filed a Petition for Cancellation of SMART BROOM SN: 74-542027.
 - 9/16/2004 • TTAB sent notice to Yellowtop stating a Petition for Cancellation had been filed.
 - 10/4/2004 • USPTO suspended registration of SMART MOP pending the disposition of SMART BROOM SN: 74-542027.
 - 11/12/2004 • TTAB sent notice of default to Yellowtop, stating that the answer to Petition for Cancellation had not been timely filed.
 - 1/6/2005 • TTAB sent notice to Yellowtop, stating that the Petition for Cancellation was granted, and such notice was returned to the USPTO as undeliverable.
 - 5/3/2005 • SMART BROOM SN: 74-542027 registration cancelled.
 - 12/13/2005 • SMART MOP was published.
 - 3/7/2006 • SMART MOP was registered.
 - 3/13/2006 • SMART BROOM SN: 74-542027 was assigned from TMB Products, L.L.C. k/n/a TMB Products Development, L.L.C. to TMB Products, LLC.
 - 6/19/2006 • TMB Products, LLC and TMB Products Development, L.L.C. filed Motion to Set Aside Default Judgment.
 - 6/29/2006 • Assignment effective as of 3/13/2006 was recorded with the USPTO, and assignment listed new address.
 - 7/7/2006 • Smart Inventions filed Opposition to Motion to Set Aside Default Judgment.



AFFIDAVIT

STATE OF MISSOURI)
) SS.
COUNTY OF ST. LOUIS)

Paul Temme (the "Affiant"), being first duly sworn upon his oath, states as follows:

1. That Affiant is the President of TMB Products Development, L.L.C., a Missouri limited liability company (the "Company").

2. The Company did not receive notice of the Petition for Cancellation of Registration No. 2513616, filed by Smart Inventions, Inc. on September 3, 2004, or any other subsequent document sent by the Trademark Trial and Appeal Board relating to the cancellation proceeding until after May 3, 2005, the date that default judgment was entered in favor of Smart Inventions, Inc.

Affiant states that the above statements are true to the best of his personal knowledge, information and belief.

Signature: Paul Temme

Subscribed and sworn to before me this 21st day of July, 2006.

Sharon K. Robertson
Notary Public

My Commission Expires:



SHARON K. ROBERTSON
St. Charles County
My Commission Expires
June 25, 2007

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1724 CLAYFIELD, INDIANAPOLIS, IN 46207~~

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