

ESTTA Tracking number: **ESTTA117780**

Filing date: **01/03/2007**

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

Proceeding	92046567
Party	Defendant COMPGEEKS.COM COMPGEEKS.COM 2604 TEMPLE HEIGHTS DRIVE , CA 92056
Correspondence Address	Compgeeks.com 1890 Ord Way Oceanside, CA 92056
Submission	Other Motions/Papers
Filer's Name	John C. Wilson
Filer's e-mail	john.wilson@hellerehrman.com, sdtrademark@hellerehrman.com
Signature	/John C. Wilson/
Date	01/03/2007
Attachments	Motion to Accept Late-Filed Answer.pdf (22 pages)(124382 bytes)

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

Registration No. 2,499,396

Trademark: **COMPGEEKS.COM**

Computer Geeks, Inc., Petitioner, v. COMPGEEKS.COM, Respondent.	Cancellation No.: 92046567
---	----------------------------

MOTION TO ACCEPT LATE-FILED ANSWER

Respondent COMPGEEKS.COM (“Respondent”) hereby moves the Trademark Trial and Appeal Board (“Board”) to accept Respondent’s late-filed Answer in the above-referenced cancellation proceeding and to not enter judgment by default.

There is good cause as to why Respondent’s Answer should be accepted and judgment by default should not be entered, as Respondent’s failure to file its Answer was a result of mistake, inadvertence and excusable neglect, and not the result of willful conduct or gross neglect on the part of Respondent. Specifically, Respondent’s in-house counsel responsible for all legal matters for Respondent did not receive the Petition for Cancellation and related notice and order mailed by the Board. Respondent only recently became aware of the mailing of the Petition for Cancellation and related notice and order, and the missed deadline to answer, at which time Respondent immediately began taking steps to address the issue, including the preparation and filing of its Answer and the present Motion. Respondent’s

conduct was not the result of willful conduct or gross neglect as discussed below, accepting its late-filed Answer will not prejudice Petitioner given that the deadline to file an answer was only 21 days ago, and Respondent has meritorious defenses to this action.

I. STATEMENT OF FACTS

Before the present cancellation proceedings were initiated, Petitioner and Respondent were already engaged in two Board opposition proceedings consolidated as Consolidated Opposition No. 91167886. *See* Consolidated Opposition No. 91167886. During a conference call on November 3, 2006 relating to the consolidated opposition, Jane Shay Wald, counsel for Petitioner, informed John C. Wilson, counsel for Respondent, that Petitioner had filed the subject Petition for Cancellation in light of a defense asserted by Respondent in the consolidated opposition. *See* Declaration of John C. Wilson in Support of Motion to Accept Late-Filed Answer (“Wilson Dec.”), ¶ 2, submitted herewith and attached as Exhibit A. Ms. Wald agreed to provide Mr. Wilson with a courtesy copy of the Petition for Cancellation. Wilson Dec., ¶ 2. In the meantime, Mr. Wilson searched the online records of the Board (TTABVUE) on November 3, 2006 to locate the Petition for Cancellation and related Board notice and order but did not find a record of any such proceeding. Wilson Dec., ¶ 2. Accordingly, Respondent awaited receipt of the Board’s correspondence transmitting the Petition for Cancellation and related notice of relevant dates. Wilson Dec., ¶ 2.

Thereafter, during the entire month of November, 2006 and early December, 2006, the parties were involved in motions before the United States District Court, Southern District of California to quash a deposition subpoena in connection with the pending consolidated opposition. Wilson Dec., ¶ 3. The district court motions involved court filings and briefing

in connection with the motion to quash itself, court filings and briefing in connection with a motion to seal confidential information in connection with the motion to quash, and related procedural requirements. Wilson Dec., ¶ 3.

Following the filings and briefing in connection with the district court motions, and having not received the subject Petition for Cancellation either from Ms. Wald as a courtesy copy or a copy mailed by the Board to either Respondent or Respondent's counsel, on December 14, 2006 counsel for Respondent, Mr. Wilson, again searched online Board records and successfully located the Petition for Cancellation. Wilson Dec., ¶ 4. Respondent's counsel discovered then that the deadline for Respondent to answer the Petition for Cancellation was December 13, 2006. Wilson Dec., ¶ 4.

Respondent's in-house counsel with overall responsibility for Respondent's legal matters, Gregory Hansen, never received correspondence from the Board transmitting the Petition for Cancellation and related notice and order of relevant dates. *See* Declaration of Gregory Hansen in Support of Motion to Accept Late-Filed Answer ("Hansen Dec."), ¶¶ 1 and 3-4, submitted herewith and attached as Exhibit B. According to the Board's correspondence, it was mailed directly to Respondent. *See* November 3, 2006 Board Notice and Order. Further, the correspondence was not directed to the attention of any particular individual at Respondent; rather, it was addressed generally to Respondent as is the Board's practice. *Id.* The correspondence did not reach Respondent's in-house counsel, Mr. Hansen, and as a result Respondent had no knowledge of the deadline to file an answer. Hansen Dec., ¶ 4. Consequently, an Answer was not filed.

Upon learning of the December 13, 2006 answer deadline on December 14, 2006, Respondent's outside counsel immediately informed Respondent, and Respondent took prompt action to address the issue. Wilson Dec., ¶¶ 4-5; Hansen Dec., ¶ 5. Specifically, on December 15, 2006 Respondent requested Petitioner's stipulation to reopen the period for Respondent to Answer, which Petitioner denied. Wilson Dec., ¶ 5. Petitioner did, however, propose a resolution which would result in its withdrawal the Petition for Cancellation thus eliminating the need for Respondent to file an Answer. Wilson Dec., ¶ 5. After Mr. Wilson communicated to Ms. Wald Respondent's agreement to the proposal to withdraw the Petition for Cancellation, Ms. Wald informed Mr. Wilson on December 21, 2006 that Petitioner would not withdraw the Petition for Cancellation after all. Wilson Dec., ¶ 5. Respondent immediately began taking steps to prepare and file this Motion and the Answer submitted herewith. Wilson Dec., ¶ 5; Hansen Dec., ¶ 5.

II. ARGUMENT

Respondent's Motion to Accept Late-Filed Answer should be granted because good cause exists for its failure to file a timely answer to the Petition for Cancellation. "[I]t is the policy of the law to decide cases on their merits." TBMP § 312.02; Federal Rule of Civil Procedure 55(c) ("For good cause shown the court may set aside an entry of default"). "[T]he Board is very reluctant to enter a default judgment for failure to file a timely answer, and tends to resolve any doubt on the matter in favor of the defendant." *Id.*; see also *Paolo's Assocs. Ltd. P'ship v. Bodo*, 21 U.S.P.Q.2d 1899, 1902 (T.T.A.B. 1990). The Board will accept a late-filed answer and find a default judgment should not be entered against a Respondent when the Respondent shows (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. *See Paolo's Assocs. Ltd. P'ship v. Bodo*, 21 U.S.P.Q.2d at 1902. Under these factors, good cause exists to permit Respondent to file its Answer and proceed in defending this proceeding on the merits.

First, Respondent's delay in filing its Answer was not the result of willful conduct or gross neglect on its part; rather, it was a result of mistake, inadvertence and excusable neglect. Specifically, the Petition for Cancellation was mailed by the Board directly to Respondent (properly so) and addressed to the company in general, rather than to a particular person. As a result, the correspondence from the Board directed to the attention of Respondent did not come to the attention of Respondent's corporate counsel, Mr. Hansen, for appropriate action. Hansen Dec., ¶ 4. Respondent had no knowledge of receiving the Petition for Cancellation from the Board, assuming the correspondence was in fact successfully delivered to Respondent's address. *Id.* Further, while counsel for Respondent was informed by Petitioner's counsel in early November that the Petition for Cancellation had purportedly been filed, the search conducted by Respondent's counsel at that time of the Board's online records did not reveal any such proceeding. Wilson Dec., ¶ 2. In addition, counsel for Petitioner represented she would send counsel for Respondent a courtesy copy of the Petition for Cancellation but did not do so. Wilson Dec., ¶¶ 2 and 4. Thus, these three potential sources for obtaining a copy of the Petition for Cancellation did not reveal or confirm that any such Petition for Cancellation had in fact been filed, much less inform Respondent of its deadline to answer. Lastly, Respondent was fully engaged through November and early

December in motions and briefings before the United States District Court, Southern District of California in connection with a motion to quash a subpoena related to Consolidated Opposition No. 91167886, so Respondent was in fact directing its full attention to the ongoing disputes between the parties and not being neglectful of the disputes. In sum, there was no willful conduct or gross neglect on the part of Respondent in failing to timely file its Answer.

Furthermore, accepting Respondent's late-filed Answer will not substantially prejudice Petitioner. Specifically, the deadline to answer the Petition for Cancellation was only 21 days ago, thus, Petitioner has not incurred any significant expense or delay. Indeed, according to the current schedule set by the Board, the discovery period closes on May 22, 2007. As a result, Petitioner has ample time, almost five months, to conduct discovery before the discovery period closes and will not be substantially prejudiced in bringing claims against Petitioner. In addition, Respondent will agree to extend the discovery period for a reasonable period if Petitioner so requests.

Additionally, Respondent's late-filed answer should be accepted because Respondent has a meritorious defense to the claims raised in the Petition. "The showing of a meritorious defense does not require an evaluation of the merits of the case. All that is required is a plausible response to the allegations of the complaint." *See* TBMP § 312.02. Registration of Respondent's subject mark is presumed valid under 15 U.S.C. §§ 1057(b) and 1115(a), and entitled to registration as properly determined by the Trademark Office. Further, Respondent has denied material allegations made by Petitioner, including priority, and Respondent also sets forth affirmative and other defenses in its Answer. Accordingly, Respondent has a

meritorious defense, and its Motion to Accept Late-Filed Answer should be granted so that this proceeding may be decided on the merits.

Finally, Respondent has filed its Answer to the Petition for Cancellation along with the filing of this Motion, and submits herewith a copy of its Answer attached as Exhibit C.

III. CONCLUSION

For the reasons stated above and in the papers filed herewith, Respondent respectfully requests that the Board accept Respondent's late-filed Answer to the Petition for Cancellation and deem it timely filed.

Respectfully submitted,

HELLER EHRMAN LLP

Dated: January 3, 2007

By: _____

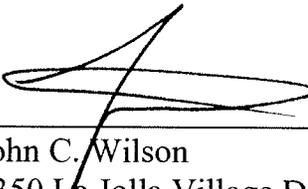

John C. Wilson
4350 La Jolla Village Drive
San Diego, CA 92122-1246
(858) 450-8400
Attorneys for Respondent

EXHIBIT A

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

Registration No. 2,499,396

Trademark: **COMPGEEKS.COM**

Computer Geeks, Inc., Petitioner, v. COMPGEEKS.COM, Respondent.	Cancellation No.: 92046567
---	----------------------------

**DECLARATION OF JOHN C. WILSON IN SUPPORT
OF RESPONDENT’S MOTION TO ACCEPT LATE-FILED ANSWER**

I, John C. Wilson, do declare as follows:

1. I am an attorney with the law firm of Heller Ehrman LLP. I represent Respondent COMPGEEKS.COM in the above-referenced cancellation proceedings. Except where stated upon information and belief, I have personal knowledge of the facts stated herein and could and would competently testify thereto if called as a witness.

2. Counsel of record for Petitioner, Jane Shay Wald, indicated during a conference call on November 3, 2006 that Petitioner had filed a Petition for Cancellation with respect to Respondent’s COMPGEEKS.COM registration in light of a defense asserted by Respondent in Opposition Nos. 91167886 and 91170726, consolidated as Consolidated Opposition No. 91167886. Ms. Wald represented that she would forward me a courtesy copy of the Petition for Cancellation. On that same date, following the

telephone call, I searched the Board's online records (TTABVUE) for the referenced Petition for Cancellation but found no such record. Accordingly, I awaited receipt of the Board's correspondence transmitting the Petition for Cancellation and related notice of relevant dates, as well as the courtesy copy from Petitioner's counsel.

3. Thereafter, during the entire month of November 2006 and early December 2006, Respondent and Petitioner were involved in motions before the United States District Court, Southern District of California to quash a deposition subpoena in connection with the consolidated oppositions. The district court motions involved court filings and briefing in connection with the motion to quash itself, court filings and briefing in connection with a motion to seal confidential information in connection with the motion to quash, and related procedural requirements.

4. Following the filings and briefing in connection with the district court motions, and having not received the subject Petition for Cancellation either from Ms. Wald in the form of a courtesy copy or a copy mailed by the Board to either Respondent or Respondent's counsel of record, on December 14, 2006 I searched the Board's online records and successfully located the Petition for Cancellation. I discovered then that the deadline for Respondent to answer the Petition for Cancellation was December 13, 2006. I took immediate steps to address the issue.

5. I promptly contacted Ms. Wald on December 15, 2006 and requested Petitioner's stipulation to reopen the period for Respondent to file its answer. Ms. Wald declined to stipulate to reopening the answer period but did offer to withdraw the Petition for Cancellation under certain conditions. I later informed Ms. Wald that Respondent

was agreeable to the conditions, but on December 21, 2006 Ms. Wald informed me that Petitioner in fact was not willing to withdraw the Petition for Cancellation under the specified conditions. Respondent, therefore, promptly began preparing its Answer as well as the present Motion to Accept Late-Filed Answer.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 3rd day of January, 2007, in San Diego, California.

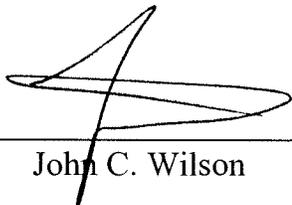
By:  _____
John C. Wilson

EXHIBIT B

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

Registration No. 2,499,396

Trademark: **COMPGEEKS.COM**

<p>Computer Geeks, Inc.,</p> <p style="text-align:center">Petitioner,</p> <p style="text-align:center">v.</p> <p>COMPGEEKS.COM,</p> <p style="text-align:center">Respondent.</p>	<p style="text-align:center">Cancellation No.: 92046567</p>
--	---

**DECLARATION OF GREGORY HANSEN IN SUPPORT
OF RESPONDENT'S MOTION TO ACCEPT LATE-FILED ANSWER**

I, Gregory Hansen, do declare as follows:

1. I am in-house counsel for Respondent COMPGEEKS.COM where my duties include exercising overall responsibility for all legal matters for Respondent, including trademark matters. Except where stated upon information and belief, I have personal knowledge of the facts stated herein and could and would competently testify thereto if called as a witness.

2. Respondent is the owner of United States Trademark Registration No. 2,499,396 for the mark COMPGEEKS.COM.

3. On December 14, 2006, I first became aware of correspondence purportedly mailed on November 3, 2006 to COMPGEEKS.COM by the Trademark Trial and Appeal Board ("Board") in connection with the above-referenced cancellation

proceedings when a copy of the document was forwarded to me by Respondent's outside counsel. I have since come to learn the correspondence was a notice and order from the Board attaching a copy of a Petition for Cancellation filed by Petitioner in connection with Registration No. 2,499,396 for the mark COMPGEEKS.COM.

4. For reasons currently unknown to me and which are being investigated internally at Respondent, the correspondence from the Board mailed to Respondent that warranted my attention, inadvertently and mistakenly failed to come to my attention. As a result, I had no knowledge of the deadline to file an answer and was not able to instruct Respondent's outside counsel to take timely and appropriate action to answer the Petition for Cancellation.

5. Upon learning of the Petition for Cancellation and the inadvertently passed deadline to file an answer, I immediately instructed Respondent's outside counsel, John C. Wilson of Heller Ehrman LLP, to seek Petitioner's stipulation to reopen the period for Respondent to Answer. When Petitioner declined such stipulation, and when the subsequent proposal by Petitioner to withdraw the Petition for Cancellation was itself withdrawn by Petitioner, I promptly instructed Respondent's outside counsel to begin preparing Respondent's Answer along with the present Motion to Accept Late-Filed Answer.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 29th day of ~~January~~^{December}, 2007, in Oceanside, California.

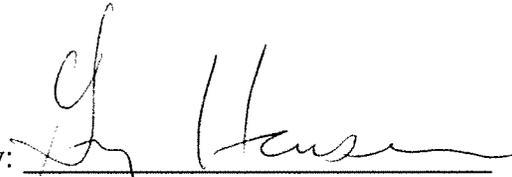
By: 
Gregory Hansen

EXHIBIT C

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

Registration No. 2,499,396

Trademark: **COMPGEEKS.COM**

Computer Geeks, Inc., Petitioner, v. COMPGEEKS.COM, Respondent.	Cancellation No.: 92046567
---	----------------------------

ANSWER TO PETITION FOR CANCELLATION

COMPGEEKS.COM (“Respondent”), a California corporation, for its answer to the Petition for Cancellation filed by Computer Geeks, Inc. (“Petitioner”) against Respondent’s Registration No. 2,499,396 for the mark COMPGEEKS.COM, pleads and avers as follows:

Answering the preamble paragraph of the Petition for Cancellation on page 1, which is not numbered, Respondent is without information or belief sufficient to admit or deny the allegations concerning Petitioner’s incorporation, location and/or belief with respect to the mark COMPGEEKS.COM shown in Registration No. 2,499,396, and, on that basis, denies those allegations.

1. Answering paragraph 1 of the Petition for Cancellation, Respondent admits that the records of the United States Patent and Trademark Office reflect that Computer Geeks, Inc. filed a trademark application for the mark COMPUTER GEEKS that was assigned Serial

No. 78/595272. Respondent is without information or belief sufficient to admit or deny the remaining allegations of paragraph 1, and, on that basis, denies those allegations.

2. Answering paragraph 2 of the Petition for Cancellation, Respondent admits that the records of the United States Patent and Trademark Office reflect that the examiner of Application Serial No. 78/595272 provided information regarding Respondent's Applications Serial Nos. 78/380877 and 78/258431 in connection with a potential refusal to register. Respondent is without information or belief sufficient to admit or deny the remaining allegations of paragraph 2, and, on that basis, denies those allegations.

3. Answering paragraph 3 of the Petition for Cancellation, Respondent admits that Petitioner herein filed oppositions to Respondent's Applications Serial Nos. 78/380877 and 78/258431, now consolidated as Consolidated Opposition No. 91167886.

4. Answering paragraph 4 of the Petition for Cancellation, Respondent admits the allegations.

5. Answering paragraph 5 of the Petition for Cancellation, Respondent admits that it is the Registrant of Registration No. 2,499,396 and the Applicant of Application Serial Nos. 78/380877 and 78/258431. Respondent further admits that it asserted defenses in Opposition Nos. 91170726 and 91167886 that it "already owns substantially similar registered marks for substantially similar goods and/or services that the pending application causes no added injury to Opposer." Respondent denies the remaining allegations of paragraph 5.

6. Answering paragraph 6 of the Petition for Cancellation, Respondent is without information or belief sufficient to admit or deny the allegations of paragraph 6, and, on that basis, denies those allegations.

7. Answering paragraph 7 of the Petition for Cancellation, Respondent is without information or belief sufficient to admit or deny the allegations of paragraph 7, and, on that basis, denies those allegations.

AFFIRMATIVE DEFENSES

1. Petitioner's request for relief is barred by the equitable doctrines and affirmative defenses of waiver and consent.

2. Petitioner's request for relief is barred by the equitable doctrine and affirmative defense of acquiescence.

3. Petitioner's request for relief is barred by the equitable doctrine and affirmative defense of estoppel.

4. Petitioner's request for relief is barred by the equitable doctrine and affirmative defense of laches.

5. Petitioner's request for relief is barred by the equitable doctrine and affirmative defense of unclean hands.

6. Petitioner's request for relief is barred because Petitioner fails to state a claim upon which relief can be granted.

7. Petitioner's request for relief is barred because Petitioner lacks standing to assert the claims alleged in the Petition for Cancellation.

8. Petitioner's request for relief is barred because Petitioner does not have priority over Respondent with respect to the trademark at issue.

9. Petitioner's request for relief is barred because Petitioner has committed fraud on the Trademark Office by way of its knowingly false and misleading statements in verified

documents that it has used and used in commerce the mark set forth in Application Serial No. 78/595272 in connection with all of the goods and services set forth in said application.

10. Petitioner's request for relief is barred because Petitioner abandoned any trademark rights it alleges to hold in the mark it is asserting.

11. Petitioner's request for relief is barred because Petitioner did not succeed to any trademark rights of Stephen Lonn in the mark through assignment or otherwise and, thus, Petitioner did not succeed to any priority of use to the mark that Stephen Lonn may have held.

WHEREFORE, this answering Respondent prays judgment as follows:

1. Dismissal of the Petition for Cancellation with prejudice; and
2. For such other and further relief as the Board deems just and proper.

Respectfully submitted,

HELLER EHRMAN LLP

Dated: January 3, 2007

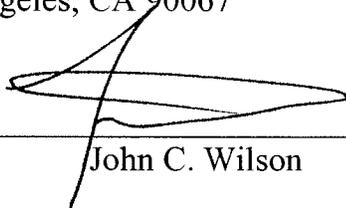
By: _____


John C. Wilson
4350 La Jolla Village Drive
San Diego, CA 92122-1246
(858) 450-8400
Attorneys for Respondent

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing ANSWER TO PETITION FOR CANCELLATION was served upon Petitioner's attorneys of record by depositing a copy thereof in the United States Mail on January 3, 2007, first-class mail, postage prepaid, in an envelope addressed as follows:

Jane Shay Wald
Irell & Manella LLP
1800 Avenue of the Stars, Suite 900
Los Angeles, CA 90067



John C. Wilson

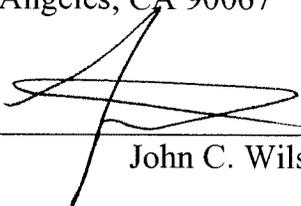
CERTIFICATE OF SERVICE

The undersigned certifies that copies of the foregoing:

1. MOTION TO ACCEPT LATE-FILED ANSWER;
2. DECLARATION OF JOHN C. WILSON IN SUPPORT OF MOTION TO ACCEPT LATE-FILED ANSWER;
3. DECLARATION OF GREGORY HANSEN IN SUPPORT OF MOTION TO ACCEPT LATE-FILED ANSWER; and
4. ANSWER TO PETITION FOR CANCELLATION

were served upon Petitioner's attorneys of record by depositing copies thereof in the United States Mail on January 3, 2007, first-class mail, postage prepaid, in an envelope addressed as follows:

Jane Shay Wald
Irell & Manella LLP
1800 Avenue of the Stars, Suite 900
Los Angeles, CA 90067



John C. Wilson