ESTTA Tracking number: **ESTTA178004**
Filing date: **11/30/2007**

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

| | |
|---|---|
| Proceeding | 92047013 |
| Party | Defendant<br>Internet FX, Inc. |
| Correspondence Address | Susan E. Hollander, Laura M. Franco<br>Manatt, Phelps & Phillips, LLP<br>1001 Page Mill Road, Bldg. 2<br>Palo Alto, CA 94304<br>UNITED STATES<br>patrademarks@manatt.com |
| Submission | Motion to Dismiss 2.132 |
| Filer's Name | Christine M. Klenk |
| Filer's e-mail | patrademarks@manatt.com |
| Signature | /Christine M. Klenk/ |
| Date | 11/30/2007 |
| Attachments | Motion for Involuntary Dismissal - NETTRAK.pdf ( 12 pages )(262784 bytes ) |

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

In re Registration No. 3,064,820
Mark: NETTRAK
Registered: March 7, 2006

| | |
|---|---|
| NeTrack, Inc.,<br><br>Petitioner,<br><br>v.<br><br>Internet FX, Inc.,<br>Registrant. | Cancellation No. 92047013<br><br>**MOTION FOR INVOLUNTARY DISMISSAL PURSUANT TO 37 C.F.R. § 2.132(a); SUPPORTING DECLARATION OF LAURA M. FRANCO** |

Commissioner for Trademarks
P.O. Box 1451
Alexandria, Virginia 22313-1451

Pursuant to 37 C.F.R. § 2.132(a) and Trademark Trial and Appeal Board Manual of Procedure ("TBMP") §§ 534.01 and 534.02, Registrant Internet FX, Inc. ("Registrant") hereby moves the Board for dismissal of the pending cancellation proceeding on the grounds that Petitioner NeTrack, Inc.'s ("Petitioner") has failed to take testimony or offer evidence during Petitioner's testimony period, which has now closed. Based on Petitioner's failure to prosecute its case, the Board should dismiss this proceeding.

This motion is supported by the accompanying brief and the declaration of Laura M. Franco.

## RELEVANT FACTS

On February 1, 2007, Petitioner filed its Petition of Cancellation against United States Trademark Registration No. 3,064,820 for the mark NETTRAK based on a likelihood of confusion with its mark NETRACK. Declaration of Laura Franco in Support of Motion ("Franco Decl."), ¶ 2. On March 13, 2007, Registrant filed a timely Answer in response denying any likelihood of confusion. *Id.* at ¶ 4. In connection with this proceeding, the Board issued a

scheduling order dated February 1, 2007 which set the dates for the discovery and testimony periods, including setting November 18, 2007 as the date of the close of Petitioner's testimony period. *Id.* at ¶ 3.

During the discovery period of this proceeding, Petitioner served discovery requests on Registrant, to which Registrant provided written responses and documents. Franco Decl. ¶ 5. Because Registrant had not served discovery on Petitioner prior to the time the discovery period closed, Registrant requested that Petitioner agree to re-open the discovery period. *Id.* at ¶ 6. Petitioner did not consent to re-open the discovery period, and Registrant filed a motion to re-open the discovery period and reset the testimony and trial periods. *Id.* Petitioner vigorously opposed Registrant's motion. *Id.* On or about November 30, 2007, Registrant withdrew its Motion to Re-Open the Discovery Period. *Id.* at ¶ 9.

Notwithstanding that Petitioner's testimony period opened on October 19, 2007 and closed on November 18, 2007, Petitioner did not take any testimony, did not offer any other evidence, and did not seek Registrant's consent to extend Petitioner's testimony period. Franco Decl. ¶¶ 7-8.

## LEGAL ARGUMENT

### Because Petitioner Has Failed to Prosecute, This Proceeding Should Be Dismissed With Prejudice

Dismissal of a cancellation action is appropriate under Trademark Rule 2.132(a) where the petitioner's time for taking testimony has expired and the petitioner has not taken any testimony or offered any evidence. Specifically, Rule 2.132(a) provides in relevant part, "If the time for taking testimony by any party in the position of plaintiff has expired and that party has not taken testimony or offered any other evidence, any party in the position of defendant may, without waiving the right to offer evidence in the event the motion is denied, move for dismissal on the ground of the failure of the plaintiff to prosecute." *See Hewlett-Packard Company v. Olympus Corp.*, 931 F.2d 1551 (Fed. Cir. 1991) (motion to dismiss opposition granted); *SFW Licensing Corp., et al v. Di Pardo Packing, Ltd*, 2001 TTAB LEXIS 142 (60 U.S.P.Q.2d 1372) (TTAB March 9, 2001) (same).

In the present case, Petitioner's testimony period commenced on October 19, 2007 and closed November 18, 2007. Franco Decl. ¶ 3. During this time, Petitioner did not take testimony, and did not submit any other evidence to support its petition. *Id.* at ¶ 7. Petitioner did not notice any testimony depositions during its testimony period. *Id.*. Petitioner did not make any requests of Registrant to extend Petitioner's testimony period, or otherwise seek any extension of time for it to take testimony or submit evidence. *Id.* at ¶ 8. Moreover, while Registrant had previously filed a motion to re-open this discovery period and reset the testimony period, Petitioner objected to that motion, including objecting to any change in the current testimony schedule. *Id.* at ¶ 6.[1]

The Board has an interest and is justified in enforcing its procedural deadlines. *Hewlett-Packard, supra*, at 1554; *PolyJohn Enterprises Corp. v. 1-800-Toilets, Inc.*, 2002 TTAB LEXIS 34, *8 (61 U.S.P.Q.2d 1860) (TTAB February 28, 2002) (petition to cancel dismissed). "Petitioner brought this case, and, in so doing, took responsibility for moving it forward in accordance with the trial schedule, but failed to do so." *Atlanta-Fulton County Zoo, Inc. v. DePalma*, 1998 TTAB LEXIS 9, *7 (45 U.S.P.Q.2d 1858 (February 12, 1998). Petitioner's failure to abide by the Board's deadlines has "an adverse impact on the orderly administration of this case." *Id.* at *8. Accordingly, the Board is justified in granting Registrant's motion and dismissing this proceeding.

## CONCLUSION

For the foregoing reasons, Registrant requests that the Board grant its motion for involuntary dismissal of this proceeding.

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[1] In any event, the only motions which stay a proceeding pending determination are dispositive motions, such as for summary judgment, or motion for judgment on the pleadings. *See* 37 C.F.R. § 2.127(d).

Respectfully submitted,

MANATT, PHELPS & PHILLIPS, LLP

Dated: November 30, 2007

By: _____

Susan E. Hollander, Esq.
Laura M. Franco, Esq.
Christine Klenk, Esq.
Manatt, Phelps & Phillips, LLP
1001 Page Mill Road, Bldg. 2
Palo Alto, CA 94304

*Attorneys for Registrant*
*Internet FX, Inc.*

**DECLARATION OF LAURA M. FRANCO IN SUPPORT OF MOTION TO FOR INVOLUNTARY DISMISSAL**

I, Laura M. Franco, declare:

1. I am an attorney admitted to practice in the States of California and New York, and am a partner in the law firm of Manatt, Phelps & Phillips, LLP, attorneys for Registrant Internet FX, Inc. ("Registrant") in the current cancellation proceeding filed by Petitioner NeTrack, Inc. ("Petitioner"). If called upon to testify to the matters stated herein, I would and could do so based upon my personal knowledge except where otherwise indicated. I base that knowledge upon my personal participation in the matters described and upon my review of the file in preparation of this declaration.

2. On or about February 1, 2007, Petitioner filed its Petition of Cancellation against United States Trademark Registration No. 3,064,820 for the mark NETTRAK based on a likelihood of confusion with its mark NETRACK.

3. On February 1, 2007, the Board issued a scheduling order setting the discovery and testimony periods in the proceeding. Specifically, the Board set November 18, 2007 as the close of Petitioner's 30-day testimony period. A true and correct copy of the Board's February 1, 2007 order is attached hereto as Exhibit A.

4. On March 13, 2007, Registrant filed a timely Answer in response denying any likelihood of confusion.

5. During the discovery period, Petitioner served written discovery requests on Registrant, to which Registrant responded, including producing documents to Petitioner.

6. Registrant did not serve discovery on Petitioner during the discovery period. Shortly after the close of the discovery period, however, Registrant requested Petitioner's consent to re-open the discovery period. Petitioner refused, prompting Registrant to file a motion to re-open the discovery period and to reset the testimony and trial periods. Petitioner vigorously opposed the motion to re-open the discovery period and opposed resetting the testimony periods.

7. During Petitioner's testimony period, October 19, 2007 through November 18, 2007, Petitioner did not serve on Registrant any testimony deposition notices; did not serve on Registrant any Notices of Reliance, testimony, or any other evidence in support of its case. Based on a review of the Board's electronic records database, Petitioner did not take any testimony or submit any evidence to the Board in support of its claims herein. A true and correct copy of a printout from the Board's electronic records database as of November 29, 2007 showing no evidence that Petitioner had taken testimony or submitted evidence in support of its claims is attached hereto as Exhibit B.

8. Petitioner did not contact Registrant to seek an extension of Petitioner's testimony period, or otherwise make any request to allow Petitioner to take or submit testimony outside of its current testimony period.

9. On or about November 30, 2007, Petitioner withdrew its pending Motion to Re-Open Discovery Period and Reset Testimony Periods.

I declare under penalty of perjury under the laws of the United States and of the State of California that the foregoing is true and correct.

Executed this 30th day of November, 2007 at Palo Alto, California.

Laura M. Franco

# EXHIBIT A

**UNITED STATES PATENT AND TRADEMARK OFFICE**
**Trademark Trial and Appeal Board**
**P.O. Box 1451**
**Alexandria, VA 22313-1451**

Mailed: February 1, 2007

Internet FX, Inc.
19202 Foxtree Lane
Houston, TX 77094
UNITED STATES

**Cancellation No. 92047013**
Reg. No. 3064820

Carl Oppedahl
Oppedahl Patent Law Firm LLC
P.O. Box 4850
Frisco, CO 80443-4850

**NeTrack, Inc.**

v.

**Internet FX, Inc.**

**Janice D. Hyman, Paralegal Specialist:**

A petition, a copy of which is attached, has been filed to cancel the above-identified registration.

Proceedings will be conducted in accordance with the Trademark Rules of Practice.

**ANSWER IS DUE FORTY DAYS** after the mailing date hereof. (See Trademark Rule 2.196 for expiration date falling on Saturday, Sunday or a holiday).

Proceedings will be conducted in accordance with the Trademark Rules of Practice, set forth in Title 37, part 2, of the Code of Federal Regulations. The parties are reminded of the recent amendments to the Trademark Rules that affect the rules of practice before the TTAB. *See* Rules of Practice for Trademark-Related Filings Under the Madrid Protocol Implementation Act, 68 Fed. R. 55,748 (September 26, 2003) (effective November 2, 2003); Reorganization of Correspondence and Other Provisions, 68 Fed. Reg. 48,286 (August 13, 2003) (effective September 12, 2003). Notices concerning the rules changes, as well as the *Trademark Trial and Appeal Board Manual of Procedure* (TBMP), are available at www.uspto.gov/web/offices/dcom/ttab/.

**The parties are particularly referred to Trademark Rule 2.126 pertaining to the form of submissions. Paper submissions, including but not limited to exhibits and depositions, not filed in accordance with Trademark Rule 2.126 may not be given consideration or entered into the case file.**

**Discovery and testimony periods are set as follows:**

| | |
|---|---|
| Discovery period to open: | **2/21/07** |
| Discovery period to close: | **8/20/07** |
| 30-day testimony period for party in position of plaintiff to close: | **11/18/07** |
| 30-day testimony period for party in position of defendant to close: | **1/17/08** |
| 15-day rebuttal testimony period for plaintiff to close: | **3/2/08** |

A party must serve on the adverse party a copy of the transcript of any testimony taken during the party's testimony period, together with copies of documentary exhibits, within 30 days after completion of the taking of such testimony. See 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.

**NOTE:** The Board allows parties to utilize telephone conferences to discuss or resolve many interlocutory matters that arise in inter partes cases. See the *Official Gazette* notice titled *"Permanent Expansion of Telephone Conferencing on Interlocutory Matters in Inter Partes Cases Before the Trademark Trial and Appeal Board,"* 1235 TMOG 68 (June 20, 2000). The notice is available at http://www.uspto.gov. Interlocutory matters which the Board agrees to discuss or decide by phone conference may be decided adversely to any party which fails to participate.

If the parties to this proceeding are also parties to other Board proceedings involving related marks or, during the pendency of this proceeding, they become parties to such proceedings, they should notify the Board immediately, so that the Board can consider consolidation of proceedings.

**New Developments at the Trademark Trial and Appeal Board**

TTAB forms for electronic filing of extensions of time to oppose, notices of opposition, and inter partes filings are now available at http://estta.uspto.gov. Images of TTAB proceeding files can be viewed using TTABVue at http://ttabvue.uspto.gov.

**EXHIBIT B**

## TTABVUE. Trademark Trial and Appeal Board Inquiry System

# Cancellation

**Number:** 92047013 **Filing Date:** 02/01/2007
**Status:** Pending **Status Date:** 02/01/2007
**Interlocutory Attorney:** MARY CATHERINE FAINT

**Defendant**

**Name:** Internet FX, Inc.
**Correspondence:** Susan E. Hollander, Laura M. Franco
Manatt, Phelps & Phillips, LLP
1001 Page Mill Road, Bldg. 2
Palo Alto, CA 94304
patrademarks@manatt.com
**Serial #:** 76608800 Application File **Registration #:** 3064820
**Application Status:** Cancellation Pending
**Mark:** NETTRAK

**Plaintiff**

**Name:** NeTrack, Inc.
**Correspondence:** Carl Oppedahl
Oppedahl Patent Law Firm LLC
P.O. Box 4850
Frisco, CO 80443-4850

**Prosecution History**

| # | Date | History Text | Due Date |
|---|---|---|---|
| 12 | 10/29/2007 | P'S REPLY IN SUPPORT OF MOTION | |
| 11 | 10/15/2007 | PAPER RECEIVED AT TTAB | |
| 10 | 10/09/2007 | D'S OPPOSITION/RESPONSE TO MOTION | |
| 9 | 10/09/2007 | D'S REPLY IN SUPPORT OF MOTION | |
| 8 | 09/19/2007 | P'S MOTION TO STRIKE | |
| 7 | 09/19/2007 | P'S OPPOSITION/RESPONSE TO MOTION | |
| 6 | 08/30/2007 | D'S MOTION TO REOPEN DISCOVERY | |
| 5 | 08/30/2007 | CHANGE OF CORRESPONDENCE ADDRESS | |
| 4 | 03/13/2007 | ANSWER | |
| 3 | 02/01/2007 | PENDING, INSTITUTED | |
| 2 | 02/01/2007 | NOTICE AND TRIAL DATES SENT; ANSWER DUE: | 03/13/2007 |
| 1 | 02/01/2007 | FILED AND FEE | |

Results as of 11/29/2007 06:03 PM **Search:**

CERTIFICATE OF SERVICE

I hereby certify that the foregoing MOTION FOR INVOLUNTARY DISMISSAL with SUPPORTING DECLARATION OF LAURA M. FRANCO has been served upon the Petitioner by depositing it with the United States Postal Service as first class mail, postage prepaid, in a sealed envelope addressed to:

Carl Oppedahl, Esq.
Oppedahl Patent Law Firm, LLC
P. O. Box 4850
Frisco, CO 80443-4850

on this 30th day of November , 2007.

Sonya Holloway

Sonya Holloway