

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

Faint

Mailed: August 28, 2008

Cancellation No. 92047013

NeTrack, Inc.

v.

Internet FX, Inc.

**Before Seeherman, Grendel and Kuhlke,
Administrative Trademark Judges.**

By the Board:

This case comes before the Board on the following motions: 1) respondent's fully-briefed motion to reopen the discovery period and reset testimony and trial dates, filed August 30, 2007; 2) petitioner's fully-briefed motion to strike portions of respondent's motion to reopen discovery, filed September 19, 2007; 3) respondent's unopposed motion to withdraw its prior motion to reopen the discovery period and reset testimony and trial dates, filed November 30, 2007; 4) respondent's fully-briefed motion to dismiss this proceeding pursuant to Trademark Rule 2.132(a), filed November 30, 2007; and 5) petitioner's fully-briefed motion to reopen testimony and reschedule trial dates, filed December 20, 2007.

The Board's February 1, 2007 institution and trial order set discovery to close August 20, 2007 and petitioner's testimony period to close November 18, 2007.

A review of the papers shows that during the time set by the Board for discovery, the parties were conducting settlement negotiations. A coexistence agreement was presented by respondent to petitioner, who did not respond until near the end of the discovery period. At that point a disagreement erupted between the parties, and petitioner served discovery on respondent that allegedly was not received by respondent until after the close of discovery. Respondent then filed its motion to reopen discovery, which petitioner opposed, and petitioner filed its motion to strike. After the filing of petitioner's reply brief to the motion to strike on October 29, 2007, respondent filed both its motion to withdraw the motion to reopen and its motion to dismiss on November 30, 2007.

Before disposing of the outstanding motions, a few words are in order regarding the conduct of this case by counsel. The Board frowns on the sort of gamesmanship that seems to have been engaged in by the parties in trying to seek a strategic advantage through the filing of motions and perhaps through deliberate delays that would put the other party at a disadvantage. This has led to the filing of five motions that could have been avoided, if the parties had

merely agreed to suspend for settlement negotiations. Both the Board, and the parties before it, have an interest in minimizing the amount of the Board's time and resources that must be expended on matters such as the motions decided herein. Counsel are cautioned to proceed with a courteous and orderly prosecution of this case in the future.

Motion to Withdraw and Motion to Strike

As respondent's motion to withdraw its motion to reopen the discovery period and reset testimony and trial dates is unopposed, it is granted as conceded.¹ See Trademark Rule 2.127(a). Petitioner's motion to strike portions of respondent's motion to reopen discovery is rendered moot by the grant of the motion to withdraw, and therefore will not be given any further consideration.

Motion to Dismiss and Motion to Reopen Testimony

We next turn to respondent's motion to dismiss, and petitioner's related motion to reopen its testimony period. Respondent moves that this proceeding be dismissed with prejudice, in accordance with Trademark Rule 2.132(a), in view of petitioner's failure to submit any testimony or to offer any evidence.

¹ We note the motion was for withdrawal without prejudice, and thus our grant of the withdrawal here would not affect respondent's right to submit a new motion to reopen discovery. We make no comment, however, as to how we would rule on such a motion.

In opposing the motion, petitioner argues that, at the time of its scheduled testimony period, it did not yet know of the disposition of respondent's motion to reopen and petitioner's motion to strike, and thus it would have been prejudicial for petitioner to be "forced to present all of its testimony" at a time when petitioner did not know the disposition of respondent's motion.

To overcome a motion for judgment under Trademark Rule 2.132(a), petitioner must show good and sufficient cause why judgment should not be rendered against it, failing which the petition for cancellation will be dismissed with prejudice. The "good and sufficient cause" standard, in the context of Trademark Rule 2.132(a), is equivalent to the "excusable neglect" standard which petitioner would be required to meet under Fed. R. Civ. P. 6(b) to reopen its testimony period. See *Grobet File Co. of America Inc. v. Associated Distributors Inc.*, 12 USPQ2d 1649, 1651 (TTAB 1989) (finding "good and sufficient cause" equivalent to excusable neglect under Fed. R. Civ. P. 6(b) and Trademark Rule 2.132(a)); and *Fort Howard Paper Co. v. Kimberly-Clark Corp.*, 216 USPQ 617, 618 (TTAB 1982).

In *Pioneer Investment Services Company v. Brunswick Associates Limited Partnership*, 507 U.S. 380 (1993), as discussed by the Board in *Pumpkin, Ltd. v. The Seed Corps*, 43 USPQ2d 1582 (TTAB 1997), the Supreme Court clarified the

meaning and scope of "excusable neglect," as used in the Federal Rules of Civil Procedure and elsewhere. The Court held that the determination of whether a party's neglect is excusable is:

at bottom an equitable one, taking account of all relevant circumstances surrounding the party's omission. These include. . . [1] the danger of prejudice to the [nonmovant], [2] the length of the delay and its potential impact on judicial proceedings, [3] the reason for the delay, including whether it was within the reasonable control of the movant, and [4] whether the movant acted in good faith.

Pioneer, 507 U.S. at 395. Several courts have stated that the third *Pioneer* factor, namely the reason for the delay and whether it was within the reasonable control of the movant, might be considered the most important factor in a particular case. See *Pumpkin*, 43 USPQ2d at 1587 n.7 and cases cited therein.

Turning to the third *Pioneer* factor, under the circumstances of this case where respondent filed a motion to reopen discovery, trial dates generally would be reset upon determination of the motion. Thus, we do not find it unreasonable that petitioner waited for a determination on the motion to reopen discovery prior to going forward with its trial.

With regard to the second *Pioneer* factor, we find that the length of the delay was not considerable. Respondent filed its motion to dismiss immediately after petitioner's

briefing of the motion to strike, and petitioner filed its motion to reopen testimony at the time of its response to the motion to dismiss.

With regard to the first *Pioneer* factor, we similarly do not find any significant prejudice to either party. With regard to the fourth *Pioneer* factor, we find there is no evidence of bad faith in petitioner's failure to present evidence during the originally set testimony period.

Accordingly, respondent's motion for involuntary dismissal under Trademark Rule 2.132(a) for failure to take testimony is denied. Petitioner's request to reopen its testimony period is granted. Testimony and trial dates are reset as set out below.

DISCOVERY PERIOD TO CLOSE:

CLOSED

30-day testimony period for party in position of plaintiff to close:

November 1, 2008

30-day testimony period for party in position of defendant to close:

December 31, 2008

15-day rebuttal testimony period for plaintiff to close:

February 14, 2009

Brief for party in position of plaintiff shall be due:

April 15, 2009

Brief (if any) for party in position of defendant shall be due:

May 15, 2009

Reply brief (if any) for party in position of plaintiff shall be due:

May 30, 2009

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 the taking of testimony. Trademark Rule 2.125.

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