

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

DUNN

Mailed: October 11, 2012

Cancellation No. 92055641

The Port Authority of New York
and New Jersey

v.

Mayer Birnhack, assignee
joined as defendant with
Yitzhak Birnhack¹

Elizabeth A. Dunn, Attorney (571-272-4267):

This case comes up on respondent's combined response to notice of default and motion to accept late answer filed August 23, 2012.² The motion is contested, and the Board held a phone conference with the parties on October 10, 2012. The participants were Carole Klinger, attorney for

¹ The August 20, 2012 assignment of Registration No. 3244713 is recorded with the USPTO Assignment Branch at Reel 4848, Frame 0112. Inasmuch as the registration was assigned after commencement of this proceeding, the parties are joined to facilitate discovery. Drive Trademark Holdings LP v. Inofin, 83 USPQ2d 1433, 1434 n.2 (TTAB 2007) (applicant's motion to join another defendant granted where assignment of application occurred after commencement of proceeding); Trademark Trial and Appeal Board Manual of Procedure (TBMP) §512.01 (3rd ed., rev. 2012).

² Because the assignment and joinder occurred after assignor was technically in default, the Board refers to respondent in the singular as to the default issue.

petitioner, Jonathan Brown, attorney for respondent, and Elizabeth Dunn, attorney for the Board.

The standard for determining whether default judgment should be entered against the defendant for its failure to file a timely answer to the complaint is the Fed. R. Civ. P. 55(c) standard, that is, whether the defendant has shown good cause why default judgment should not be entered against it. Good cause why default judgment should not be entered against a defendant, for failure to file a timely answer to the complaint, is usually found when the defendant shows that (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. *Paolo's Associates Limited Partnership v. Bodo*, 21 USPQ2d 1899, 1903-04 (Comm'r 1990).

Here, respondent's answer was due July 1, 2012.³ The Board issued notice of default on July 24, 2012. On August 23, 2012, counsel for respondent made an appearance, and respondent filed his combined response and motion to accept late answer, and answer. In support of the combined

³ The Board notes petitioner's extraneous June 19, 2012 notice that the courtesy copy of the petition to cancel sent to the attorney representing the owner of the mark during examination of the application was returned as undeliverable.

response and motion, respondent contends that he inadvertently failed to change his address, and, upon learning of the commencement of this proceeding, promptly obtained counsel to represent his interest in this case. Respondent also notes that he has a meritorious defense, and submits his answer with the motion.

Petitioner contends that respondent has failed to demonstrate good cause to set aside notice of default and to accept the late answer. Petitioner notes that respondent does not allege that he did not have notice of the petition to cancel, provides no persuasive reason for his failure to timely respond, and from this the Board may conclude that the default was willful or due to gross neglect. Petitioner also notes that the response was filed by the assignee while it was the assignor who was in default.

The Board disagrees that the explanation that respondent promptly sought counsel once he learned of the petition to cancel is insufficient to show good cause in these circumstances. The delay to this proceeding is less than eight weeks, the time from the due date for the answer to the filing of the answer with the motion, and petitioner points to no prejudice caused by this delay. The filing of the answer demonstrates that respondent has a meritorious defense. *Fred Hayman Beverly Hills, Inc. v. Jacques Bernier, Inc.*, 21 USPQ2d 1556, 1557 (TTAB 1991). Finally,

the Board encourages parties to seek counsel to represent their interest in proceedings before the Board. *ShutEmDown Sports Inc. v. Lacy*, 102 USPQ2d 1036, 1038 n2 (TTAB 2012); *McDermott v. San Francisco Women's Motorcycle Contingent*, 81 USPQ2d 1212, 1212 n2 (TTAB 2006) and Trademark Trial and Appeal Board Manual of Procedure (TBMP) §114.01 (3rd ed., rev. 2012).⁴ While the better practice would have been for respondent to seek suspension or extension of his time to file an answer, the need to obtain counsel provides the requisite good cause for the delay in filing the answer.

Similarly, it would have been a better practice for respondent's filing to address the conduct of the assignor who was in technical default instead of the assignee. However, there is no evidence that the representations regarding good cause were made in bad faith, and this order clarifies the proper parties to this proceeding. That is, all papers filed hereafter in this proceeding must list the joined parties in the case title. The joined respondents must respond to petitioner's discovery requests.

In view thereof, respondent's response to notice of default is accepted, his motion to accept late answer is granted, the Board's notice of default is hereby set aside,

⁴ Indeed, when counsel for a party withdraws, the Board generally suspends proceedings for thirty days to allow the party time to appoint new counsel. TBMP 510.03(a) (3rd ed., rev. 2012).

and respondent's answer is accepted as its responsive pleading herein.

Dates are reset below:

Deadline for Discovery Conference	11/9/2012
Discovery Opens	11/9/2012
Initial Disclosures Due	12/8/2012
Expert Disclosures Due	4/7/2013
Discovery Closes	5/7/2013
Plaintiff's Pretrial Disclosures	6/21/2013
Plaintiff's 30-day Trial Period Ends	8/5/2013
Defendant's Pretrial Disclosures	8/20/2013
Defendant's 30-day Trial Period Ends	10/4/2013
Plaintiff's Rebuttal Disclosures	10/19/2013
Plaintiff's 15-day Rebuttal Period Ends	11/18/2013

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.

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