

UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451  
General Contact Number: 571-272-8500

BUO

Mailed: March 11, 2015

Cancellation No. 92057941

*Clockwork IP, LLC*

*v.*

*Barnaby Heating & Air; and  
McAfee Heating and Air Conditioning  
Co., Inc.*

**Benjamin U. Okeke, Interlocutory Attorney:**

Now before the Board are Respondent's motions, filed October 17, 2014, to: (1) join McAfee Heating & Air Conditioning Co., Inc. (hereinafter "Assignee") as party-defendant in this proceeding, and (2) reopen the discovery period and extend the current trial schedule. Respondent asserts that "Assignee ... is required for the resolution of this proceeding, is an indispensable party in interest, and must be joined," but that "[i]f Assignee is joined and discovery is not reopened, Assignee will be prejudiced." Respondent also states that "Assignee agrees to be joined in this proceeding, only if discovery is reopened and Assignee is allowed to participate in discovery." 11 TTABVUE at 3, ¶¶ 6 and 7.<sup>1</sup>

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<sup>1</sup> Citations to the record will be to TTABVUE, the docket history system for the Trademark Trial and Appeal Board. Because the Board primarily uses TTABVUE in reviewing evidence,

Petitioner contests this motion, arguing that “(a) Petitioner will be prejudiced if the discovery period is opened five (5) months after the closure of the discovery period, (b) the length of the delay will have a potential negative impact on judicial proceedings, (c) Respondent has not cited a single case in favor of reopening the discovery period nor has it demonstrated prejudice or the required standard of ‘excusable neglect,’ ... and (e) statements in Respondent’s Motion itself demonstrate why the Motion ... should be denied, including its internally inconsistent assertions alleging that McAfee is ‘an indispensable party in interest’ in Paragraph 6, but ‘Assignee agrees to be joined in this proceeding only if discovery is reopened’ in Paragraph 7.” 12 TTABVUE at 2-3. These motions have been fully briefed.<sup>2</sup>

Additionally, on November 6, 2014, Petitioner filed a motion to compel responses to its First Set of Interrogatories and Document Requests, served on Respondent on June 4, 2014. The motions will be taken in turn.

***Motion to Compel***

Petitioner's motion to compel is **GRANTED** as conceded, because Respondent failed to respond thereto. Trademark Rule 2.127(a); *Central Mfg.*,

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the Board prefers that citations to material or testimony in the record that has not been designated confidential include the TTABVUE docket entry number and the TTABVUE page number. For material or testimony that has been designated confidential and which cannot be viewed on TTABVUE, the TTABVUE docket entry number where such material or testimony is located should be included in any citation. See *Turdin v. Trilobite, Ltd.*, 109 USPQ2d 1473, 1476 n.6 (TTAB 2014).

<sup>2</sup> Respondent’s reply brief, filed November 18, 2014, is noted.

*Inc. v. Third Millennium Tech., Inc.*, 61 USPQ2d 1210 (TTAB 2001); *Boston Chicken, Inc. v. Boston Pizza Int'l, Inc.*, 53 USPQ2d 1053 (TTAB 1999).

Accordingly, Respondent is ordered to serve, no later than **THIRTY DAYS** from the mailing date of this order, its responses, without objection on the merits,<sup>3</sup> to Petitioner's first sets of interrogatories and requests for production. *See, No Fear, Inc. v. Rule*, 54 USPQ2d 1551 (TTAB 2000).

In the event Respondent fails to respond to Petitioner's discovery requests as ordered herein, Respondent may be subject to sanctions, potentially including entry of judgment against Respondent. *See Trademark Rule 2.120(g); Fed. R. Civ. P. 37(b)(2)*. Respondent should also note that any further indication of attempts to extort capitulation from Petitioner by withholding discovery will be looked upon with extreme disfavor.

### ***Motion to Join***

In support of its motion to join Assignee, Respondent attached a copy of the assignment record from the USPTO Assignment Branch, evidencing an assignment in gross of the involved registration from Barnaby Heating & Air LLC to McAfee Heating and Air Conditioning Co., Inc.<sup>4</sup> Petitioner contests

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<sup>3</sup> Objections going to the merits of a discovery request include those which challenge the request as overly broad, unduly vague and ambiguous, burdensome and oppressive, as seeking non-discoverable information on expert witnesses, or as not calculated to lead to the discovery of admissible evidence. In contrast, claims that information sought by a discovery request is trade secret, business-sensitive or otherwise confidential, is subject to attorney-client or a like privilege, or comprises attorney work product, goes not to the merits of the request but to a characteristic or attribute of the responsive information. *See No Fear*, 54 USPQ2d at 1554.

<sup>4</sup> The assignment was recorded by the USPTO Assignment Branch on October 14, 2014, at reel/frame 5380/0159.

this motion, arguing that the allegations set forth in the petition to cancel “focus on *Respondent’s* state of mind and knowledge in filing its application for and using COMFORTCLUB” (emphasis added). 12 TTABVUE at 8. Petitioner concludes that inasmuch as “the issues of fraud on the Trademark Office and [Respondent] being the wrongful owner at the time of filing and at the time of this cancellation do not involve or implicate [Assignee] at all ... Respondent will not be prejudiced by the Board’s denial of Respondent’s Motion to Join Assignee.”

When there has been an assignment of a mark that is the subject of, or relied upon in, an *inter partes* proceeding before the Board, the assignee may be joined or substituted, as may be appropriate, upon motion granted by the Board, or upon the Board’s own initiative. *See, e.g., Life Zone Inc. v. Middleman Group Inc.*, 87 USPQ2d 1953, 1955 n.1 (TTAB 2008).

Where the mark(s) assigned, together with the corresponding application or registration, is the subject of an opposition or cancellation proceeding before the Board, the assignee may be joined as a party defendant once a copy of the assignment has been filed with the Board. *See* TBMP § 512.01. When the assignment is recorded in the Assignment Services Division of the USPTO, the assignee may be substituted as a party if the assignment occurred prior to the commencement of the proceeding, *Cf. Drive Trademark Holdings LP v. Inofin*, 83 USPQ2d 1433, 1434 n.1 (TTAB 2007), or the assignor is no longer in existence, or the plaintiff raises no objections to

substitution, or the discovery and testimony periods have closed; otherwise, the assignee will be joined, rather than substituted. *See, e.g.*, Trademark Rules 2.113(c)-(d), 3.71 and 3.73(b); Fed. R. Civ. P. 17 and 25; *Drive Trademark Holdings*, 83 USPQ2d at 1434 n.2.

In the present case, the assignment was executed on September 30, 2014, over one year after this proceeding was commenced on September 27, 2013. Further, neither the assignment agreement nor Respondent's motion indicate that Respondent, or the business connected with the mark, is no longer in existence. However, discovery in this case closed on June 4, 2014. While discovery may have been better served by the presence of Assignee as party-defendant in this matter, the Board is not convinced that under the circumstances presented Assignee is an "indispensable party," but inasmuch as rights in the involved "mark have been transferred to that entity, the decision in this case will of course be binding upon the assignee." *See Hamilton Burr Publ'g Co. v. E. W. Commc'n, Inc.*, 216 USPQ 802, n.1 (TTAB 1982).

Therefore, joinder of Assignee – McAfee Heating and Air Conditioning Co., Inc., would indeed be appropriate in this matter. Therefore, Respondent's motion to join McAfee Heating and Air Conditioning Co., Inc. as party-defendant in this proceeding is **GRANTED**.<sup>5</sup>

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<sup>5</sup> The caption of this proceeding has, accordingly, been amended to reflect the joinder.

***Motion to Reopen***

The Board initially notes that inasmuch as a party may be joined in a proceeding on the Board's own initiative, any agreement between Respondent and Assignee that Assignee would only agree to be joined in this proceeding if discovery is reopened, is of no moment to the Board or the determination of this motion.

As previously noted, by the Board's institution order, issued September 27, 2013, and in the absence of any motion to extend, the discovery period in this proceeding closed on June 4, 2014. Pursuant to Fed. R. Civ. P. 6(b), made applicable to Board proceedings by Trademark Rule 2.116(a), a party may file a motion for an extension of the time in which an act may or must be done. Where the motion is not filed until after the expiration of the period as originally set or previously extended, the moving party must show that its failure to act during the time allowed was the result of excusable neglect. Fed. R. Civ. P. 6(b)(1)(B). See *Vital Pharms., Inc. v. Kronholm*, 99 USPQ2d 1708, 1710 n.10 (TTAB 2011) ("The Board construes a motion to extend an expired period as a motion to reopen such period.").

In *Pioneer Invest. Servs. Co. v. Brunswick Assoc. L.P.*, 507 U.S. 380 (1993), as discussed by the Board in *Pumpkin, Ltd. v. 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 Inv. Servs.*, 507 U.S. at 395.

In subsequent applications of this test, several courts have held 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 1586 n.7 and cases cited therein.

In its motion, Respondent commits most of its discussion to arguing for joinder of Assignee, concluding rather curtly, that "if Assignee is joined and discovery is not reopened, Assignee will be prejudiced." Respondent seemingly asserts that if Assignee is joined, by virtue of that joinder, the discovery period *must* be reopened to allow Assignee to "participate" in this proceeding. This conclusion is unfounded. Indeed, as described above, the factors considered for joining a third-party to a proceeding, and those for reopening a period in a proceeding are wholly separate factors. Moreover, as the Board found in *Pro-Cuts v. Schilz-Price Enters. Inc.*, 27 USPQ2d 1224 (TTAB 1993), a party may be joined or substituted after the close of discovery

without necessitating a reopening of the discovery period for the joined or substituted party. 27 USPQ2d at 1229 (while Applicant's motion to join a third-party as party-defendant is granted, discovery is not automatically reopened, and instead Opposer is given the option of whether it chose to have discovery reopened to take discovery from the newly joined party). Respondent has cited no authority to support its position. Nor does Respondent offer a sufficient explanation for not propounding discovery during the six-month discovery period, or moving to secure an extension of the period.

While it is unclear why Petitioner waited until the final day of this six-month period to propound its discovery,<sup>6</sup> a party may serve discovery requests until the final day of the discovery period even if the responses to those requests would not come due until after the close of discovery. *See* Trademark Rule 2.120(a)(3).<sup>7</sup> Respondent failed to similarly avail itself of this discovery option.

At one point in its brief on the motion, Respondent avers that “[f]ollowing the close of discovery, Respondent learned that Assignee ha[d] used the COMFORTCLUB mark in commerce ... continuously since as early as 1999,”

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<sup>6</sup> Petitioner attached a copy of its first set of discovery requests, including the accompanying certificate of service, to its response brief. There is nothing of record to undermine the validity of that certificate of service, and therefore, the Board accepts it as accurately reflecting the date the discovery requests were served.

<sup>7</sup> If a party wishes to have an opportunity to take “follow-up” discovery after it receives responses to its initial requests for discovery, it must serve its initial requests early in the discovery period, so that when it receives responses thereto, it will have time to prepare and serve additional discovery requests prior to the expiration of the discovery period. *See* TBMP § 403.05(a).

and presumably as the result of some type of settlement, “Respondent assigned its COMFORTCLUB mark ... to Assignee ... subsequent to the close of discovery in this proceeding.” 11 TTABVUE at 7. However, in its reply brief on the motion Respondent states that “[t]he truth is that in September 2013, counsel for Petitioner and counsel for Respondent discussed in great detail the assignment of the COMFORTCLUB mark from Respondent to McAfee.” 14 TTABVUE at 4. Respondent on one hand attempts to allude to the assignment as suddenly occurring after the close of discovery, when Respondent learned of Assignee’s superior rights, insinuating that Respondent could not have foreseen the need to extend discovery to allow Assignee to participate in a proceeding in which it would inherently be involved. However, this is belied by Respondent’s own argument that such assignment had been in process for several months, and well prior to the close of discovery in this proceeding.

Based on the foregoing, the Board cannot agree that this motion is based on occurrences not within Respondent’s control or foresight. Respondent failed to avail itself, in a timely manner, of the discovery tools at its disposal and failed to seek a timely extension of the discovery period, especially in light of the impending assignment of its registration to Assignee. As the Board stated in *Luehrmann v. Kwik Kopy Corp*, “[a] party may not wait until the waning days of the discovery period ... and then be heard to complain” that he lacks appropriate discovery to prosecute his case. *Luehrmann*, 2

USPQ2d 1303, 1305 (TTAB 1987). Therefore, the Board is not persuaded that the reason for the delay was beyond the reasonable control of Respondent.

Accordingly, the third *Pioneer* factor weighs against a finding of excusable neglect.

With regard to the second *Pioneer* factor, the extent of delay for the proceeding, we find that Respondent's filing of its motion to reopen more than four months after the close of the discovery period is not an insignificant delay. Additionally, the issue is not simply whether Respondent filed its motion promptly after the discovery period closed; the delay must also take account of the relief Respondent seeks. Granting Respondent's motion to reopen discovery, even if for a short period and for the limited purpose of only allowing Assignee to "participate" in discovery,<sup>8</sup> would require at least enough time to compile and serve discovery requests. Moreover, there is the additional, unavoidable delay arising from the time required for briefing and deciding this motion. *See PolyJohn Enters. Corp. v. 1-800-Toilets Inc.*, 61 USPQ2d 1860 (TTAB 2002).

Assuming that a reset discovery period would close, say, in May, 2015, the delay attributable to Respondent's failure to timely conduct discovery or move for an extension of the discovery period in light of its then ongoing and impending assignment of the involved registration in this case would be nearly one year, which is a significant period of time.

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<sup>8</sup> Justice would demand that such a reopening also include an opportunity for Petitioner to take discovery from Assignee.

Considering Respondent's request to reopen and the effect granting the request would have on this proceeding, the Board finds that the second *Pioneer* factor weighs against a finding of excusable neglect.

With regard to the fourth *Pioneer* factor, the Board finds that there is insufficient evidence to support Petitioner's allegation that this motion is based on a "sham" and is being made in bad faith on the part of Respondent, therefore, we treat this factor as neutral.

With regard to the first *Pioneer* factor, while the Board has noted that the delay in this proceeding would not be insignificant, a showing of prejudice usually requires more than "mere" delay. This factor is therefore found to favor a finding of excusable neglect.

Considering all of the relevant factors, the Board finds that Respondent has not shown sufficient facts supporting its request for relief. While the fourth *Pioneer* factor was found to be neutral, and the first to favor a finding of excusable neglect, the delay in this proceeding if the sum of Respondent's request were granted would be significant, and, most importantly, Respondent has not shown that the reason for the delay was not within its reasonable control.

Thus, the *Pioneer* factors on balance weigh against a finding of excusable neglect in this case. Respondent will not be heard to claim that its lack of diligence was solely precipitated by information and events that were not well within its purview and could not have been anticipated. The Board also

notes that under the circumstances and claims presented, much, if not all, of the information necessary for Respondent and Assignee to defend this matter is in Respondent's possession.

The duty to take discovery during the period to do so was squarely on Respondent, who had six months to take action in that regard, either by availing itself of the discovery tools or filing for an extension of the discovery period.

Respondent's motion to reopen the discovery period is therefore **DENIED**.

***Schedule***

The proceeding is resumed. Discovery is closed and the remaining disclosure and trial dates are reset as follows:

Discovery Closes	<b>CLOSED</b>
Plaintiff's Pretrial Disclosures	<b>3/31/2015</b>
Plaintiff's 30-day Trial Period Ends	<b>5/15/2015</b>
Defendant's Pretrial Disclosures	<b>5/30/2015</b>
Defendant's 30-day Trial Period Ends	<b>7/14/2015</b>
Plaintiff's Rebuttal Disclosures	<b>7/29/2015</b>
Plaintiff's 15-day Rebuttal Period Ends	<b>8/28/2015</b>

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.