

ORIGINAL

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

DETROIT ENTERTAINMENT, LLC,

Opposer,

v.

MOTOR CITIES CASINOS, LLC,

Applicant.

Opposition No. 9,115,1905

PLAINTIFF/OPOSER DETROIT ENTERTAINMENT'S RESPONSE TO APPLICANT'S MOTION FOR JUDGMENT FOR FAILURE TO PROVE CASE AND COUNTERMOTION TO REOPEN THE TESTIMONY PERIOD

I, CRYSTAL MATTESON, DO HEREBY CERTIFY THAT THIS DOCUMENT IS BEING DEPOSITED WITH THE UNITED STATES POSTAL SERVICE AS EXPRESS MAIL, POSTAGE PREPAID, IN AN ENVELOPE ADDRESSED TO THE ASSISTANT COMMISSIONER FOR TRADEMARKS, BOX TTAB, 2900 CRYSTAL DRIVE, ARLINGTON, VIRGINIA 22202-3513, ON THE DATE BELOW.

Crystal Matteson
AN EMPLOYEE OF QUIRK & TRATOS
EV193160277 US
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DATE OF DEPOSIT



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09-11-03

In the above-identified Opposition No. 91-151,1905, Detroit Entertainment, LLC. ("Plaintiff" or "Opposer") responds to the motion made by Motor Cities Casinos, LLC ("Defendant" or "Applicant") for judgment for Plaintiff's Failure to Prove Case. Plaintiff also moves the Board for an order re-opening the Plaintiff's testimony period. This motion is supported by the memorandum of points and authorities set forth herein, the statement of facts, the accompanying declaration of R. Richard Costello, and the record in this case.

Defendant's motion should be denied and the testimony period should be reopened for the following reasons:

1. Plaintiff proactively participated throughout these proceedings.

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2. Plaintiff's failure to submit evidence was the result of "excusable neglect" as defined by the United States Supreme Court because:

- A. The Defendant has not been prejudiced by Plaintiff's failure to adhere to the testimony period.
- B. Defendant is not prejudiced by the length of the delay.
- C. The Plaintiff's action was not the result of bad faith; and
- D. The delay was not wholly within control of the Plaintiff or its counsel.

I. INTRODUCTION AND BACKGROUND

On February 8, 2002, Plaintiff filed its Notice of Opposition. On June 20, 2002 this Board issued its original trial order pursuant to which the discovery period was set to close on January 6, 2003 and Plaintiff's testimony period was set to close April 6, 2003. Defendant filed its answer July 30, 2002 and on January 6, 2003, the parties stipulated that Plaintiff could file its Amended Notice of Opposition and to extend the discovery deadline to February 20, 2003. This Board granted those requests on February 6, 2003.

Plaintiff amended its opposition against the registration of the mark MOTOR CITIES CASINOS for clothing, namely t-shirts, in international class 25. Plaintiff is the owner of the MotorCity Casino in Detroit, Michigan and owns a number of federal service marks and trademark applications for the MOTORCITY CASINO (and Design) marks as follows:

U.S. Ser. No. 75/717,477 for MOTORCITY CASINO (AND DESIGN) in Class 41, for casino and entertainment services, namely, live performances featuring live and prerecorded music, prerecorded video, singers, dancers, magicians, actors, acrobats, and comedians;

U.S. Ser. No. 75/717,478 for MOTORCITY CASINO (AND DESIGN) in Class 42, for restaurant, bar and lounge services, provided in the City of Detroit, Michigan;

U.S. Ser. No. 75/727,735 for MOTORCITY CASINO (AND DESIGN) in Class 21, for beverageware made of glass and plastic, mugs, glass steins, cups, plates, serving trays not of precious metal, cookie jars, bottles sold empty, insulated sleeve holders for beverage cans, vases, coasters not of paper and not being table linen, bottle openers, cork screws, non-metal decorative boxes, hair brushes, and non-metal piggy banks;

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U.S. Ser. No. 75/727,747 for MOTORCITY CASINO (AND DESIGN) in Class 16, for pens, pencils, playing cards, stationery, note cards, note pads, note books, appointment books, postcards, children's activity books, coloring books, pen and pencils holders, rubber stamps;

U.S. Ser. No. 75/728,114 for MOTORCITY CASINO (AND DESIGN) in Class 25, wearing apparel, namely, polo shirts, t-shirts, tank tops, shirts, jackets, jogging suits, sweat shirts, sweat pants, jeans, pants, robe, sleepwear, rompers, scarves, socks, slippers, hats and caps;

U.S. Ser. No. 75/773,814 for MOTORCITY MILLIONAIRES in Class 41, for casino services, provided in the City of Detroit, Michigan.

Plaintiff based its opposition on information and belief that Defendant was not making use of its mark in commerce for any purpose and was not using the mark on the specified goods and that Applicant's use of the mark was only ornamental. Applicant filed its Amended Answer on March 10, 2003.

On or about April 3, 2003, the parties filed a stipulation to extend the discovery deadline from February 20, 2003 to April 17, 2003 and the Plaintiff's testimony period from April 6, 2003 to July 16, 2003. These dates were properly docketed by Plaintiff's counsel and were communicated to Plaintiff's agent. See Declaration of R. Richard Costello, ("Costello Decl.") submitted herewith at ¶ 11.

On November 11, 2002, Plaintiff served a First Request for Production of Documents and Things and a First Set of Interrogatories. When Defendant failed to provide full and complete responses to those requests, Plaintiff sent a series of letter which began in January to Defendant's counsel seeking responses. Those communications continued through March 18, 2003. During that same that same time period, Plaintiff began seeking deposition dates for the Defendant and third party witnesses and began addressing settlement. Additionally, the parties negotiated and entered into a confidentiality agreement. See Costello Decl. Exh. 2 (Letter to D. Amburn dated Jan. 30 2003), Exh. 3 (Letter to D. Amburn dated Feb. 21, 2003), Exh. 4 (Letter to D. Amburn dated Feb. 27, 2003), and Exh. 6 (Letter to D. Amburn dated Mar. 19, 2003).

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Initially, Plaintiff sought to depose the registrant and additional witness on April 4, 2003. Because Plaintiff required Defendant's discovery responses before the depositions were taken however, Plaintiff continued to seek those overdue discovery responses. See id. at Exh. 6 (Letter to D. Amburn dated Mar. 19, 2003).

On April 17, 2003, Plaintiff deposed the registrant, Rene Boakes, and a third party witness, the person most knowledgeable for Michigan Photo Service and Gifts. Both depositions were conducted at the offices of Defendant's counsel, Harness Dickey and Pierce, 5445 Corporate Drive, Troy, Michigan. Defendant's counsel defended the deposition of his client and attended the deposition of the third party. Plaintiff's counsel attempted to depose another third party witness, Kevin Callaghan, the owner of Callaghan Promotions, who allegedly provided services to the Defendant, and service of process for that deposition was completed. That deponent, however, failed to show for the deposition. See Costello Decl. at ¶ 14.

Immediately following the depositions taken by Plaintiff in Detroit, Michigan, Defendant's counsel informed Plaintiff's counsel he had not received the Second Request for Production of Documents and Things, and on April 21, 2003 Plaintiff's counsel provided Defendant's counsel with another copy of the requests by mail. Id. at Exh. 12 (Letter to D. Amburn dated Apr. 21, 2003 enclosing a second copy of the Plaintiff's Second Request for Production of Documents and Things).

During April 2003 Defendant sought to depose three of Plaintiff's employees: Craig Ghelfi, Scott Frost and Jack Barthwell, in Detroit, Michigan. Because one of those individuals was no longer employed by the Plaintiff, and another was suffering from a serious and permanently disabling condition of the brain, the depositions did not go forward as requested. The attorneys for the parties agreed to reschedule those depositions. Id. at Exh. 13 (Ltr. to D. Amburn dated Apr. 25, 2003).

During the entire discovery period, Plaintiff continued its attempts to resolve the issues through settlement negotiations. Id. at ¶ 18. During the testimony period, Plaintiff's

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counsel tendered another request to settle the dispute. Id. at Exh. 14 (Letter to D. Amburn dated Jul. 7, 2003). Defendant's counsel responded to the settlement inquiry by stating he would forward the offer to his client for consideration and requested deposition dates for three of Plaintiff's witnesses. Id. at Exh. 15 (Letter from D. Amburn dated Jul. 9, 2003). In August, when Defendant's counsel did not respond to the settlement inquiry, Plaintiff again requested information on the status of those discussions. Id. at Exh. 16 (Letter to D. Amburn dated Aug. 5, 2003).

Throughout these proceedings, Plaintiff has sought resolution of the conflict. As is sometimes the case in litigation, these goals cannot be reached when one party does not express its goals or counter serious settlement offers. Plaintiff, however, continued to seek a dialog and probe for resolution of the issues, if reasonably possible, through settlement. These good faith attempts to discuss settlement were essentially not addressed and as a result, Plaintiff was unable to determine basic information about the Defendant's settlement posture. During the testimony period, when there were no palpable signs of progress towards settlement, Plaintiff and its counsel discussed alternative actions on more than one occasion. During these communications, Plaintiff believed it was communicating one message to its counsel and its counsel believed it was receiving another. Simply stated, there was no meeting of the minds between Plaintiff and its counsel, however Plaintiff never intended to abandon its prosecution of this matter. See Costello Decl. at ¶¶ 25-26. Plaintiff now seeks an order allowing it to reopen its discovery period to introduce evidence that, in all fairness to the Plaintiff, should be introduced.

II. DISCUSSION AND ANALYSIS

During the testimony period, Plaintiff did not take any testimony depositions or present any evidence. Defendant filed the instant motion 47 days after Plaintiff's testimony period ended on July 16, 2003.

Trademark Rule 2.132(a) provides:

- (a) 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. * * * In the absence of a showing of good and sufficient cause, judgment may be rendered against the party in the position of plaintiff. If the motion is denied, testimony periods will be reset for the party in the position of defendant and for rebuttal.

Plaintiff is not entitled to have its testimony period reopened unless the Board, in its discretion, determines that Plaintiff's failure to present testimony or other evidence during that period was the result of excusable neglect.

Plaintiff's motion to reopen its testimony period is governed by Fed.R.Civ.P. 6(b) and is made applicable to Trademark Trial and Appeal Board proceedings by 37 CFR 2.116(a). Under Fed.R.Civ.P 6(b), the Board may reopen Plaintiff's discovery period if the Board finds the Plaintiff's failure to present testimony or other evidence during the previously assigned period is the result of excusable neglect. Rule 6(b) provides as follows:

(b) Enlargement. When by these rules or by a notice given thereunder or by order of court an act is required or allowed to be done at or within a specified time, the court for cause shown may at any time in its discretion (1) with or without motion or notice order the period enlarged if request therefor is made before the expiration of the period originally prescribe or as extended by a previous order, or (2) upon motion made after the expiration of the specified period permit the act to be done where the failure to act was the result of excusable neglect; * * *

In the context of Rule 2.132, the Board has determined that the "good and sufficient cause" standard is equivalent to the "excusable neglect" standard which would have to be met by any motion under FRCP 6(b) to reopen the plaintiff's testimony period. See Grobet File Co. of America, Inc. v. Associated Distributors Inc., 12 USPQ2d 1649 (TTAB 1989); and Fort Howard Paper Co. v Kimberly-Clark Corp., 216 USPQ2d 617 (TTAB 1982). See also TBMP Section 535.02.

In Pioneer Investment Services Company v. Brunswick Associates Limited Partnership et al., 507 U.S. 380 (1993), the Supreme Court clarified the meaning and scope of "excusable neglect" under Rule 6(b). "[E]xcusable neglect' may extend to inadvertent delays. Although inadvertence, ignorance of the rules, or mistakes construing the rules do not usually constitute 'excusable' neglect, it is clear that 'excusable neglect'

under Rule 6(b) is a somewhat 'elastic concept' and is not limited strictly to omissions caused by circumstances beyond the control of movant." (citations omitted), *Pioneer*, 507 U.S. at 392. This Board discussed this case in *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d 1582 (TTAB 1997).

In *Pioneer*, the Supreme Court reviewed the standards of other Federal Rules, including Rule 60(b), and noted, "excusable neglect' is understood to encompass situations in which the failure to comply with a filing deadline is attributable to negligence.

With regard to determining whether a party's neglect of a deadline is excusable, we are in substantial agreement with the factors identified by the Court of Appeals. . . . we conclude that the determination 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.

In a footnote which may be instructive here, the majority responded to arguments of the dissent and stated:

For purposes of the present case at least, the dissent appears willing to draw a line between ordinary negligence and partial 'indifference' to deadlines . . . but parties with valuable interests at stake will no doubt find this distinction susceptible of litigation. The only reliable means of eliminating the 'indeterminacy' the dissent finds so troubling would be to adopt a bright-line rule of the sort embraced by some Courts of Appeals, erecting a rigid barrier against late filings attributable in any degree to the movant's negligence. As we have suggested, however, such a construction is irreconcilable with our cases assigning a more flexible meaning to 'excusable neglect.' (Emphasis added) *Pioneer*, 507 U.S. at FN 14.

It is also instructive to note that even the dissent in *Pioneer* accepted "the [majority] conclusion that excusable neglect may cover some instances of negligence." *Pioneer*, 507 U.S. at 407.

A. The weight of the First Pioneer Factor is in favor of the Plaintiff because the Defendant has not been prejudiced by the failure to adhere to the testimony period.

In its moving papers, Defendant did not allege it was prejudiced as a result of Plaintiff's inaction as described in the Defendant's brief. Throughout these proceedings,

the Defendant has not been diligent in responding to discovery requests or in responding to Plaintiff's request for deposition dates. Each side has been allowed to liberally revise dates in order to meet changing schedules. In its moving papers, Defendant did not, for example, allege it will lose evidence or that witnesses who were previously available are now unavailable. See Pratt v. Philbrook, 109 F. 3d 18, 22 (1st Cir. 1997); Paolo's Associates Ltd. Partnership v. Paolo Bodo, 21 USPQ2d 1899, 1904 (Comm'r 1990). Additionally, Defendant did not state in its moving papers that it will be prejudiced because it will bear any greater cost in defending this matter or that it will be prejudiced by the additional time required as a result of Plaintiff's actions. For the same reasons, the weight of the Second *Pioneer* Factor is in favor of the Plaintiff because the Defendant is not prejudiced by the length of the delay.

B. The length of any delay will not have an adverse impact on the Defendant.

Under the second Pioneer factor, the Board is required to weigh the length of the delay and its potential impact on these proceedings. The Testimony period ended July 16, 2003. Defendant's Motion for Judgment for Plaintiff's Failure to Prove Case under 35 C.F.R. § 2.132(a) was served August 27, 2003. Immediately after receiving Defendant's motion, Plaintiff and its counsel acted as quickly as possible to oppose the instant motion. Plaintiff recognizes the Board's limited resources and the burden weighing the merits of the instant motion places on it. While such delays have an impact on the proceedings, it is respectfully submitted that some delays are not caused by inadvertence or bad faith.

C. There is no evidence the Plaintiff's failure was the result of its bad faith and the weight of the fourth *Pioneer* Factor is in favor of the Plaintiff.

Plaintiff's moving brief and the affidavit of its counsel demonstrate that Plaintiff was persistent and attentive to these proceedings. Plaintiff was diligent in obtaining Defendant's overdue discovery responses, yet provided that party with additional extensions of time to respond to discovery. On one occasion, after Plaintiff served

Defendant with a Second Request for Production of Document and Things, it provided a second copy so that process could move forward without the need for motions to compel. It is respectfully submitted that the good faith of Plaintiff and its counsel to move this matter through the process without the need for the Board's intervention, supports Plaintiff's contention that its failure to present evidence was not the result of bad faith.

D. The Reason for Delay was not the Result of the Inadvertence of Plaintiff or its Counsel.

The third factor requires the Board to weigh the reason for the delay. This may include an analysis of whether the delay was wholly within the Plaintiff's reasonable control. Pioneer, 507 U.S. This factor however, is "not limited strictly to omissions caused by circumstances beyond the control of [Plaintiff]." Pioneer, 507 U.S. at 392 As stated earlier in the Background section of this brief, throughout these proceedings, the Plaintiff earnestly attempted to advance its cause. Recognizing, however, the vicissitudes of litigation, the Plaintiff conducted discovery while simultaneously initiating settlement discussions. When Defendant refused to provide responses to Plaintiff's discovery requests, Plaintiff sought resolution through communications, not a motion. Defendant, however, has not chosen to resolve the issues of the instant motion through discussion. See Costello Decl. at ¶ 23.

While seeking resolution, Plaintiff communicated with its counsel. These exchanges continued prior to and during the calendared testimony period. However, as stated above, there was no meeting of the minds between Plaintiff and its counsel. As a result of those miscommunications, Plaintiff's counsel misunderstanding of the client's directive resulted in the unfortunate situation presented here. The Plaintiff never intended to abandon this cause. It has only desired to advance the opposition and argue its case to the Board. It is respectfully submitted, that the actions detailed here, certainly are not the result of inattentiveness.

The Board is requested to note that the delay is not the result of a failure by Plaintiff or its counsel to diligently monitor the Board's calendar. Plaintiff's counsel knew the dates

of the testimony period and discussed those dates with the client. As a result of those discussions, Plaintiff, inter alia, made additional settlement attempts. Costello Decl. at ¶ 18 and Exh. 14 (Letter to D. Amburn dated Jul. 7, 2003).

Plaintiff's attempts to earnestly discuss settlement arose because Plaintiff wanted to avoid the necessity of additional expense and costs and not because it sought to delay the proceedings. These settlement attempts, as well as Plaintiff's conduct throughout these proceedings, demonstrate Plaintiff's continued active participation. It is respectfully submitted that such participation is not the result of inadvertence or excusable neglect. While the Board certainly has a significant interest in deterring sloppy litigation practice, continued proactive attempts to settle disputes should be favorably received. Errors in communication are a natural occurrence of discourse and these errors were not the result of ignorance of the rules or inadvertence. Excusable neglect is an elastic concept and it was not intended to punish a diligent party as the Defendant asks this Board to do here. Defendant's motion must be denied and the Plaintiff's testimony period reopened.

It is also requested that the Board note that the Plaintiff's cause is sound and can be supported by substantial evidence. Accompanying this opposition is Plaintiff's Proposed Notice of Reliance, submitted under Trademark Rule 2.120(j) in which Plaintiff relies on the Answers to Interrogatories and on the discovery deposition, in its entirety, of the principal Rene Boakes of the adverse party, together with the exhibits introduced in connection with that deposition. Plaintiff has been diligent in prosecuting this action since its inception and should be provided the opportunity to fully present its case to the Board.

III. CONCLUSION

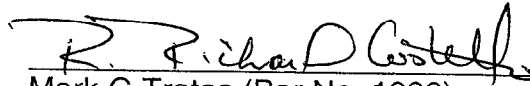
Plaintiff's failure to submit evidence during the testimony period was the unfortunate result of miscommunications between Plaintiff and its counsel. That miscommunication was not the result of inadvertence or failure to calendar deadlines. It is respectfully submitted that the error constitutes "excusable neglect" as defined by the United States Supreme Court and this Board should use its discretionary powers to reopen Defendant's

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testimony period and allow the Plaintiff to present the evidence it has so diligently fought to obtain.

DATED: September 8, 2003.

QUIRK & TRATOS



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CERTIFICATE OF SERVICE

I hereby certify that I served the foregoing Response to Motion to Dismiss on:

Dean W. Amburn
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Counsel for: Applicant

by causing a full, true, and correct copy thereof to be sent by the following indicated method or methods, on the date set forth below:

- by mailing in a sealed, first-class postage-prepaid envelope, addressed to the last-known office address of the attorney, and deposited with the United States Postal Service at Las Vegas, Nevada.
- by hand delivery.
- by sending via overnight courier in a sealed envelope.
- by faxing to the attorney at the fax number that is the last-known fax number.
- by electronic mail to the last known e-mail address.

DATED: September 10, 2003.



An employee of Quirk & Tratos