

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

In the Matter of Trademark Application Serial No. 78/395,861
For the Mark: **BLUE FROG**
Published in the Official Gazette (Trademarks) on May 3, 2005

BLUE FROG INTERNET, INC.,

Opposer,

v.

BLUE FROG MOBILE, INC.,

Applicant.

Opposition No. 91166014

Serial No. 78/395,861

Publication Date: May 03, 2005

Mark: BLUE FROG

CERTIFICATE UNDER 37 C.F.R. § 2.119:

The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service, First Class Mail in an envelope addressed to: P.O. Box 1451, Alexandria, VA 22213-1451 on December 7, 2005.

By: DIANA AU
Diana Au

**APPLICANT'S REPLY BRIEF IN SUPPORT OF
MOTION TO EXTEND TIME TO ANSWER AND IN
OPPOSITION TO CROSS-MOTION FOR DEFAULT JUDGMENT**

Applicant Blue Frog Mobile, Inc. ("Blue Frog") hereby submits this brief in reply to the response of Blue Frog Internet, Inc. ("Opposer") to Applicant's Motion to Extend Time to Answer and Cross-Motion for Default Judgment (the "Opposition").

OPPOSITION NO. 91166014
APPLICANT'S MOTION TO
EXTEND TIME TO ANSWER – PAGE 1 of 10

NEWMAN & NEWMAN, ATTORNEYS AT LAW, LLP
505 Fifth Avenue South, Suite 610
Seattle, Washington 98104
phone: (206) 274-2800
fax: (206) 274-2801



12-09-2005

I. ARGUMENT

As the records of the Trademark Trial and Appeal Board (the "Board") indicate, Blue Frog attempted to file its Answer through the Board's online filing system on September 6, 2005. Blue Frog's counsel believed, in good faith, that it had met the deadline for filing and serving the Answer.

For two months after that deadline Opposer did nothing and suffered no real prejudice resulting from Blue Frog's delay in filing its Answer. Opposer did not move for a default, send discovery requests, or make any other efforts to move this case toward resolution. In contrast, immediately after Blue Frog learned its filing and service of the Answer was defective, it re-filed and served the Answer, and also filed the instant Motion to Extend Time to Answer ("Motion").

Blue Frog has always acted promptly and in good faith. Moreover, Opposer will not suffer substantial prejudice because of the delay in filing the Answer, and Blue Frog's Answer presents a meritorious defense. The discovery cutoff is over two months away, and Opposer's testimony period does not begin until April, 2006. Accordingly, Blue Frog respectfully requests the Board accept its Answer for filing, deny Opposer's Cross-Motion for Default Judgment, and allow the parties to proceed with discovery.

A. **DEFAULT JUDGMENTS ARE STRONGLY DISFAVORED AS A MATTER OF LAW**

The Board, as well as federal courts, are reluctant to grant default judgments, and "tend to resolve doubt in favor of setting aside a default, since the law favors deciding cases on their merits." See Morris v. Charnin, 85 F.R.D. 689 (S.D.N.Y. 1980); Alopari v. O' Leary, 154 F.Supp. 78 (E.D.Pa. 1957); Thrifty Corporation v. Bomax Enterprises, 228 U.S.P.Q. 62

(T.T.A.B. 1985); Regent Baby Products Corp. v. Dundee Mills, Inc., 199 U.S.P.Q. 571 (T.T.A.B. 1978) (cited with favor in Paolo's Assoc. Ltd. Partnership v. Bodo, 21 U.S.P.Q.2d 1899 (Comm'r Pat. & Trademarks 1990)). In this case, Blue Frog's filing and service errors were inadvertent and no prejudice has resulted. Accordingly, there is no reason to set aside the Board's strong policy in favor of resolving cases on their merits. The circumstances do not warrant granting Opposer the extreme remedy of default.

B. THERE IS GOOD CAUSE FOR ACCEPTING APPLICANT'S ANSWER FOR FILING

In Fred Hayman Beverly Hills, Inc. v. Jacques Bernier, Inc., 21 U.S.P.Q.2d 1556 (1991). the Board held as follows: "good cause is usually found to have been established if the delay in filing is not the result of willful conduct or gross neglect on the part of the [applicant], if the delay will not result in substantial prejudice to the plaintiff, and if the defendant has a meritorious defense."

Contrary to Opposer's assertions, Blue Frog meets all three prongs of the Hayman test. Accordingly, Blue Frog respectfully requests the Board grant its Motion, accept Blue Frog's answer for filing, and deny Opposer's cross-motion for default.

1. Applicant's Late Filing Resulted from Inadvertence

In Hayman, *supra*, the Board granted an extension of time for filing an opposition answer because "the failure to timely file the answer was clearly due to an inadvertence on the part of Applicant's counsel and not the result of any willful conduct or gross neglect." 21 U.S.P.Q.2d at 1557. In this case as well as Hayman, the failure to file was due to mere inadvertence.

At all times, Blue Frog and its counsel have acted in good faith. As the Board's records

indicate and Opposer admits, Blue Frog's counsel timely filed a document titled "Answer" with the Board on September 6, 2005. (Opposition Ex. A.) Opposer also admits September 6, 2005 was the deadline for filing Blue Frog's Answer. (Opposition at 1.)

On September 6, 2005, Blue Frog's counsel believed the Answer to the above-captioned opposition was properly filed and served on opposing counsel. However, Blue Frog's counsel experienced technical difficulties with its computer system that day. As later investigation revealed, the Answer was not fully uploaded to the TTAB's server. Moreover, when Blue Frog's counsel emailed the Answer to his assistant for service, a transmission error occurred, his assistant did not receive the answer, and Opposer's counsel was not served.

Despite Opposer's unsubstantiated allegations regarding Blue Frog's alleged "conscious[] and consistent[]" disregard for the Board's rules, the record indicates Blue Frog attempted to comply with the September 6, 2005 deadline. Blue Frog's non-compliance was inadvertent.

Blue Frog's conscientious behavior in this proceeding differs sharply from the applicant's actions in In DeLorme Publishing Co. v. Eartha's Inc., 60 U.S.P.Q.2d 1222 (T.T.A.B. 2001), cited by Opposer. (Opposition at 6.) In DeLorme, the applicant decided not to respond at all to the opposition "for a period of six months." (Opposition at 7.) Blue Frog, however, did respond on the applicable deadline – however, its response was defective for technical reasons beyond its control. Moreover, immediately after it learned its Answer had not been properly filed and served, Blue Frog took immediate action to rectify those inadvertent errors. Accordingly, Blue Frog respectfully requests the Board accept its Answer for filing.

2. The Delay in Filing Will Not Cause Prejudice to Opposer

a. Opposer Does Not Meet the Standard for Showing Prejudice

Opposer also fails to show the “substantial prejudice” necessary to justify entry of a default judgment. In Dizzley v. Friends Rehabilitation Program, Inc., 202 F.R.D. 146, 147-48 (E.D.Pa. 2001) the court held as follows: “[T]he prejudice requirement compels plaintiffs to demonstrate that the plaintiff’s claim would be materially impaired because of the loss of evidence, an increased potential for fraud or collusion, substantial reliance on the entry of default, or other substantial factors... Three months delay, without more, does not establish prejudice.”

In this case, Opposer bases its claim of “substantial prejudice” exclusively on the grounds that third parties are allegedly confusing Blue Frog’s services with Opposer’s services. (Opposition at 12.) Significantly, Opposer does not claim any loss of evidence, increased potential for fraud, or any of the other factors set forth in Dizzley, *supra*. Opposer even concedes Blue Frog’s willingness to cooperate with it in making any necessary adjustments to the discovery schedule. (Opposition at 11.) However, Opposer requests the Board assume the conclusion Opposer is required to prove in this proceeding – namely, that Blue Frog’s alleged infringement of Opposer’s trademark is responsible for consumer confusion – merely because of a two month delay in filing the Answer.

As the Dizzley court held, however, “[t]hree months delay, without more, does not establish prejudice.” Dizzley, *supra*, 202 F.R.D. at 148. Blue Frog’s inadvertent two-month delay is insufficient reason to grant a default judgment to Opposer. Rather, there is a strong

policy, shared by the Board, in favor of “ignor[ing] minor procedural defects [in favor of] reach[ing] the merits” of this case. *Id.* at 147.

b. For Two Months, Opposer Did Nothing to Mitigate the Alleged “Prejudice”

Significantly, although Opposer’s counsel claims prejudice, Opposer made no effort to contact Blue Frog regarding the Answer until *two months* after the filing deadline. As Opposer’s counsel admits, she did not contact Blue Frog regarding the Answer until November 4, 2005. (Affidavit of Carol S. Maue in Support of Motion for Application for Default ¶ 6.) It was only when Blue Frog forwarded its discovery requests to Opposer that Opposer’s counsel claimed she was planning to move for a default judgment.

If Opposer really suffered “substantial prejudice” as a result of Blue Frog’s late filing, it is reasonable to expect Opposer would have moved for default immediately after the deadline for filing the Answer. Instead, Opposer did nothing for months, and merely requested default as a cross-motion to Blue Frog’s Motion to Extend Time. This indicates its allegations of “substantial prejudice” lack substance and, in any event, Opposer has failed to present any evidence of such prejudice pursuant to *Dizzley, supra*.

3. Applicant Has a Meritorious Defense

“[B]y the submission of an answer which is not frivolous,” an applicant shows “it has a meritorious defense.” *Hayman, supra*, 21 U.S.P.Q.2d at 1556. By this or any other applicable standard, the defense provided in Blue Frog’s Answer is meritorious.

Most of the eleven paragraphs in Opposer’s Notice of Opposition make factual

allegations, almost all of which concern matters unknown to Blue Frog. For example, Paragraph 9 alleges Opposer asked telecommunication service providers to contact Blue Frog regarding certain matters. Other than through the discovery process, Blue Frog has no way of knowing whether this allegation is true, and accordingly denied it. Blue Frog denied most of the remaining allegations, since its officers, employees, and agents do not know whether those allegations are true.

Blue Frog did, however, admit certain factual allegations in Paragraphs 8 and 10 of the Notice of Opposition. Blue Frog also provided a number of well-pleaded affirmative defenses. Accordingly, Blue Frog provided a good faith, substantive response to the Notice of Opposition that rises well above the level of “frivolous” and is therefore “meritorious” under the standard set forth in Hayman.

II. CONCLUSION

Blue Frog acted promptly and in good faith when responding to the Notice of Opposition in this proceeding. Immediately after it discovered a technical error had interfered with timely filing and service of its Answer, Blue Frog moved to rectify that error. Its non-compliance with the filing deadline was merely inadvertent. Moreover, Opposer has not made a showing of “substantial prejudice”, and Blue Frog’s Answer provides a meritorious defense.

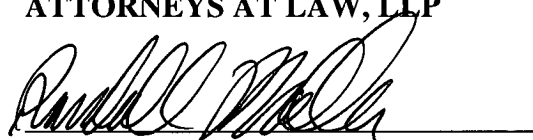
Accordingly, good cause exists for extending the time for filing Blue Frog’s Answer to Opposer’s Notice of Opposition. Blue Frog respectfully requests the Board grant its Motion to

Extend Time, accept its Answer for filing, and deny Opposer's Cross-Motion for Default Judgment.

Dated this 7th day of December, 2005.

Respectfully Submitted
NEWMAN & NEWMAN
ATTORNEYS AT LAW, LLP

By:



Derek A. Newman, WSBA No. 26967
Venkat Balasubramani, WSBA No. 28269
Randall Moeller, WSBA No. 21094
505 Fifth Avenue South, Suite 610
Seattle, WA 98104
Attorneys for Applicant

CERTIFICATE OF MAILING

I hereby certify that on this 7th day of December, 2005 a copy of the foregoing **APPLICANT'S REPLY BRIEF IN SUPPORT OF MOTION TO EXTEND TIME TO ANSWER** (the attached document) and **SELF ADDRESSED, STAMPED RETURN POST CARD** are being deposited with the U.S. Postal Service by First Class Mail, in an envelope addressed to the Commissioner for Trademarks, P.O. Box 1451, Alexandria, VA 22213-1451.

DIANA AU
Diana Au

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of December, 2005 a copy of the foregoing
**APPLICANT'S REPLY BRIEF IN SUPPORT OF MOTION TO EXTEND TIME TO
ANSWER** (the attached document) has been served upon Opposer's counsel by first class mail,
postage prepaid at the following address:

Carol S. Maue, Esq.
Chamberlain D'Amada
1600 Crossroads Building, Two State Street
Rochester, NY 14604
csm@cdlawyers.com

Diana Au
Diana Au