

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

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Mailed: August 18, 2009

Opposition No. 91187188

NORTH ATLANTIC OPERATING  
COMPANY, INC.

v.

NEW IMAGE GLOBAL, INC.

**By the Board:**

This proceeding is before the Board for consideration of opposer's motion (filed June 30, 2009) for an extension of time. The motion is fully briefed.<sup>1</sup>

In its motion, opposer seeks an order extending, by 180 days, the deadlines for the required discovery conference, initial disclosures, expert disclosures, close of discovery, and testimony periods, and/or an order waiving the requirement for the parties to hold their discovery conference as required pursuant to Trademark Rule 2.120(a)(2), or an order suspending proceedings so as to enable the parties to schedule said conference. Opposer states, inter alia, that opposer's counsel made attempts to schedule the discovery conference, that he experienced "failed efforts at communication with Applicant's attorney," that applicant's non-communicativeness was deliberate, and that a lack of cooperation on applicant's part establishes good cause for granting an extension.

In response, applicant states, inter alia, that opposer made no effort to contact applicant regarding the discovery conference and made no communication until May 8, 2009, that it has no obligation to relieve opposer of opposer's negligence in missing pertinent deadlines, and that opposer waited until just prior to the close of the discovery period to move for an extension. In support of its position, applicant submitted a July 8, 2009 declaration setting forth, inter alia, its December 17, 2008 letter to opposer specifically inquiring about the discovery conference and its January 5, 2009 deadline, and setting forth various attempts and failures made between counsels to communicate after applicant sent said letter to opposer.

For the sake of brevity, the Board does not restate herein the full recount of the parties' arguments and allegations with respect to the motion for an extension. Pertinent details relevant to the parties' positions are included in the legal analysis and discussion below.

#### Analysis

Initially, the Board notes that, pursuant to the Board's October 27, 2008 order instituting this proceeding, applicant's answer was due by December 6, 2008. Applicant filed its answer on December 23, 2008, and it bears a Certificate of Mailing dated December 17, 2008. Applicant, in its brief and in its declaration in support thereof, stated that one of opposer's attorneys of record granted

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<sup>1</sup> Opposer's change of correspondence address filed June 30, 2009

applicant an extension of time until December 22, 2008 to answer. The record includes no motion for extension, stipulation or other filing memorializing any such agreed-upon extension.

While applicant's answer was untimely, the Board has concluded that finding applicant to be in technical default would not serve to advance this proceeding. Moreover, opposer has interposed no separate challenge to the timeliness or sufficiency of applicant's answer. Accordingly, applicant's technical default is hereby set aside, and the answer is accepted. TBMP § 310.03(c) (2d ed. rev. 2004).

Turning to opposer's motion for an extension, opposer filed its motion after 1) the January 5, 2009 deadline for the parties to hold their discovery conference, 2) the February 4, 2009 date by which the parties' initial disclosures were due, and 3) the June 4, 2009 date by which the parties' expert disclosures, if any, were due. Accordingly, with respect to these dates, the Board construes opposer's motion as a motion to reopen.<sup>2</sup>

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has been entered.

<sup>2</sup> In its brief, opposer requests that the Board approve a "waiver of the requirement of a discovery conference" to enable opposer "to immediately serve its disclosures and discovery requests upon Opposer (sic)," requests, in the alternative, for suspension to that the parties may schedule a discovery conference, and in its reply brief requests that the Board "order the parties to hold a discovery conference." In view of the resulting lack of clarity, and to be consistent with the balance of opposer's motion and request for relief, the Board construes opposer's motion as including a request to reopen the deadline for holding a discovery conference pursuant to Trademark Rule 2.120(a)(2).

Fed. R. Civ. P. 6(b), made applicable to Board proceedings by Trademark Rule 2.116(a), provides for an enlargement of time after the expiration of the specified time period, "where the failure to act was the result of excusable neglect." See TBMP § 509.01(b) (2d ed. rev. 2004). 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.

In undertaking the *Pioneer* analysis, several Circuit Courts of Appeals have stated that the third *Pioneer* factor is the most important of the *Pioneer* factors. See *Pumpkin Ltd*, *supra* at 1587, n.7, and cases cited therein.

Turning first to the third factor, the record indicates that opposer acknowledges that applicant made a written, formal

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request to schedule the parties' required discovery conference. While opposer states in its brief that the initial date requested by applicant for the discovery conference "fell within the same week as the lead counsel's scheduled absence from the office," opposer provides no supporting declaration for this assertion, provides no indication that this "absence" or any information regarding this "absence" was communicated to applicant's counsel, and provides no reason why another attorney in the appointed firm could not have handled the conference. While opposer states that "an attempt was made by Opposer's attorney to reschedule," opposer does not state how, when and by whom such attempt was made. Counsel for opposer's May 8, 2009 letter to applicant's counsel acknowledges the delay in responding to applicant's December 17, 2008 letter, and states, inter alia, that he took over this matter on March 30, 2009, and that he attempted to reach applicant's counsel on March 31, 2009, as well as a few subsequent dates. Thus, while applicant made an early and affirmative inquiry with respect to scheduling the required discovery conference, opposer did not contact applicant until nearly three months after the conference deadline, and did not actually provide a response (in this case, by letter) until after the conference deadline, the scheduled opening of discovery and the due date for serving initial disclosures, had all passed. Opposer's counsel's failure to take any action, and the delay directly caused thereby, were well within the control of the attorneys and firm representing opposer.

It is noted, however, that *neither* party can account for any communication, in-person, in writing, by telephone or by electronic mail, for the period during which these scheduled case deadlines ran. It was only after several pertinent dates had passed, and after opposer's counsel filed its motion, that counsels gave attention to this proceeding. Thus, opposer's characterization of these occurrences as an inability "to effectively communicate in this case" is inaccurate. What transpired was clearly a lack of diligence on the part of both counsels with respect to meeting obligations that are routine and standard in all Board proceedings.

Applicant's assertion that it "had no obligation to help relieve Opposer of its own negligent acts" is not only unpersuasive but incorrect as well. The Board has specifically invalidated such a position with respect to the proceedings before it by affirmatively stating that both parties have a mutual and shared responsibility and obligation to schedule and hold their discovery conference, to plan for disclosures and discovery, to plan for the cooperative exchange of information, and to adhere to pre-trial and trial dates. *See, e.g., Influence Inc. v. Zuker*, 88 USPQ2d 1859, 1860 fn.2, (TTAB 2008).

Neither party has identified any force, influence, or circumstance beyond its control that rendered it unable to take action to advance this proceeding beyond the stage of initial pleadings. Finally, the record reveals no reason why either party could not have moved months sooner for an extension.

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

Second, the length of the delay to this proceeding, which, as discussed, has been occasioned by the inaction and lack of diligence on the part of both counsels, has been inordinate.

In assessing the danger of prejudice to applicant, it is noted that opposer initiated this opposition, and carries the burden of proof on its claims. Through its failure to move forward in preparing its case, opposer has created prejudice for applicant by delaying a determination of the registrability of applicant's mark. However, the Board does not overlook the point that *both parties* bore the responsibility for holding the discovery conference, serving initial disclosures, and placing this proceeding in condition for taking fact discovery. The appropriate and expected practice would have been for *either party*, upon first recognizing that there was a lack of communication between counsels while procedural dates and deadlines were approaching and passing, to file a motion to extend or otherwise take action. Thus, inasmuch as applicant had an equal duty to adhere to all pertinent deadlines, applicant's own inaction worsened the potential prejudice of which it now complains. In short, applicant did not mitigate any prejudice to it which was or may have been caused by the delay in reaching a determination of its right to register. Thus, the Board finds that both counsels have potentially prejudiced their clients, and finds little weight in any

assertion that there was or will be unilateral prejudice solely to applicant.

Finally, the record does not include specific evidence that opposer acted in bad faith during this proceeding thus far, or in moving for an extension.

On balance, and in view of the circumstances presented, the Board finds that opposer has not demonstrated that its failure to adhere to the deadlines for the required discovery conference, discovery, initial disclosures and expert disclosures was the result of excusable neglect. Accordingly, opposer's motion to reopen is hereby denied.<sup>3</sup>

To the extent that opposer's motion is a motion for an extension of the discovery period, which closed less than a week after opposer filed its motion, said motion is denied. Opposer has failed to demonstrate that the requested extension was not necessitated by its own lack of diligence or unreasonable delay in taking action, and thus has failed to demonstrate the requisite good cause for such an extension.

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<sup>3</sup> To the extent that applicant seeks dismissal of the opposition due to opposer's failure to schedule a discovery conference by the January 5, 2009 deadline therefor, said request is denied. Pursuant to Trademark Rule 2.120(g)(1), the Board may impose a sanction if a party fails to participate in the discovery conference (even in the absence of a Board order compelling participation), or if a party fails to comply with a Board order relating to disclosure or discovery. Here, imposition of a unilateral sanction would be inappropriate, as applicant clearly had an equal duty to establish communication with its adversary and to establish an agreed-upon time for the conference; moreover, the only Board order is the October 27, 2008 institution order, which is not an order relating to disclosure within the contemplation of the Rule. *Kairos Institute of Sound Healing LLC v. Doolittle Gardens LLC*, 88 USPQ2d 1541, 1543 (TTAB 2008). Furthermore, any such motion is untimely, as a motion for sanctions for failure to participate in a discovery conference

See TBMP § 509.01(a) (2d ed. rev. 2004). The party moving for an extension retains the burden of persuading the Board that it was diligent in meeting its responsibilities and should therefore be awarded additional time. *National Football League v. DNH Management LLC*, 85 USPQ2d 1852, 1854 (TTAB 2008).

If a motion to reopen or to extend time is denied, the time for taking required action may remain as previously set. See TBMP §§ 509.02 and 509.01(a) (2d ed. rev. 2004). In view of the Board's denial, discovery dates remain as originally set, and as a result, the discovery period is closed. See *National Football League, supra* at 1855. Trial periods in this proceeding remain as set in the Board's October 27, 2008 institution order.

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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must be filed prior to the deadline for any party to make initial disclosures. See Trademark Rule 2.120(g)(1).