

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

EJW

Mailed: June 5, 2015

Opposition No. 91220407

*Nasty Pig, Inc.*

*v.*

*Fitumi, LLC*

**ELIZABETH J. WINTER, INTERLOCUTORY ATTORNEY:**

Opposer's Motion to Consolidate

On January 30, 2015, Opposer filed an identical motion in this proceeding and in Opposition No. 91217154 to consolidate the two proceedings.<sup>1</sup> In view of the differences in the marks and the applicants involved, the Board denied Opposer's motion in Opposition No. 91217154 (see order in Opp. No. 91217154 mailed March 20, 2015). On review of the parties and marks involved, the Board remains unpersuaded that consolidation of the proceedings would save the Board time or effort; thus, there is no reason to stray from the Board's previous decision in

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<sup>1</sup> The Board notes Applicant's late submission filed on April 2, 2015, namely, a copy of the response to the motion to consolidate filed by another party (Janoskians LLC) in Opp. No. 91217154, which Applicant "adopts." Insofar as Applicant did not explain why the Board should reopen the time to respond to Opposer's motion under Fed. R. Civ. P. 6(b), Applicant's untimely submission has not been considered. See Trademark Rule 2.127(a). In any event, Applicant's submission would not have affected the Board's decision on the motion to consolidate.

Opposition No. 91217154 regarding Opposer's same motion. Accordingly, Opposer's motion to consolidate remains **denied**.

Applicant's Motion to Strike

This case now comes up on Applicant's contested motion (filed March 9, 2015) to strike a portion of the notice of opposition and an exhibit thereto under Fed. R. Evid. 408, to suspend this proceeding, and to extend its time to file an answer.

By way of background, one of the claims asserted in the notice of opposition is that Applicant does not have a bona fide intent to use the applied-for mark in commerce (§17). In support thereof, Opposer alleges that Applicant filed the subject application to retaliate against Opposer (§16) and attached a copy of Applicant's response (dated May 13, 2014) to Opposer's demand letter (Exh. B to notice), in which Applicant stated, *inter alia*, that it would not comply with the demands set forth in the demand letter. The exhibit is referenced in paragraphs 13 and 14 of the notice of opposition.

Applicant requests that the Board strike paragraphs 13 and 14 of the notice of opposition, as well as Exhibit B thereto, on the grounds that Applicant's letter invited settlement and, therefore, references to the letter in paragraphs 13 and 14, and the exhibit itself should be excluded under Fed. R. Evid. 408. Specifically, Applicant contends that one particular statement made by Applicant's non-attorney representative is "clearly an invitation to discuss settlement."

Opposer, in response, argues that the letter at issue is not an offer to compromise or to settle a claim, which is necessary to evoke Fed. R. Evid. 408.

Rather, Opposer points out that in the letter at issue, Applicant disputed Opposer's claim of likelihood of confusion and stated specifically that Applicant would not comply with Opposer's demands. Further, Opposer asserts that it did not submit a copy of the letter to prove its likelihood of confusion claim. Instead, Opposer states that it introduced the material solely to establish the fact that Applicant is closely affiliated with the applicant for the mark DIRTY PIG and that the instant application is a sham application.

- *Applicable Standard*

Under Fed. R. Evid. 408, applicable to this proceeding under Trademark Rule 2.116(a), a party may not offer evidence concerning settlement negotiations which is intended to prove liability for or invalidity of a claim, unless the evidence is submitted for another purpose, such as proving a witness's bias or prejudice, negating a contention of undue delay, establish breach of settlement, and the like. *See generally* Fed. R. Evid. 408, Advisory Committee's Note. *See also* 23 Fed. Prac. & Proc. Evid. §§ 5308 *et seq.* (1<sup>st</sup> ed., updated April 2015). The Board will not give any consideration to evidence of a settlement offer if said evidence is provided to prove or disprove a claim. *See, e.g., Lebanon Seabord Corp. v. R&R Turf Supply Inc.*, 101 USPQ2d 1826 (TTAB 2012) (Rule 408 prohibits the use of [settlement] negotiations to prove or disprove a disputed claim); *Toro Co. v. ToroHead Inc.*, 61 USPQ2d 1164, 1173 n.6 (TTAB 2001) (applicant's reliance on alleged settlement offer by opposer to impeach opposer's claim that it vigorously defends its TORO marks not given any consideration). However, application of Fed. R. Civ. P. 408 is

limited to actual disputes over existing claims. *See, e.g., SanDisk Corp. v. STMicroelectronics, Inc.*, 480 F.3d 1372, 1375 n.1 (Fed. Cir. 2007) (Rule 408 “expressly relates to evidence of efforts toward compromising or attempting to compromise a claim in litigation,” not statements “made outside the context of litigation, and [where] there is nothing on the record to indicate that it could be properly considered an “offer” to settle a claim which was then in dispute”); *Deere & Co. v. Int’l Harvester Co.*, 710 F.2d 1551, 218 USPQ 481, 485 (Fed. Cir. 1983) (“Rule 408, on its face, is limited to actual disputes over existing claims and, accordingly, cannot be applicable to an offer, albeit one ultimately rejected, to license and, as yet, uncontested patent.”); *Person’s Co., Ltd. v. Christman*, 9 USPQ2d 1477, 1478 (TTAB 1988) (the assertion that some of the statements must be excluded because they concern settlement negotiations is without merit because there was, at the time referred to in the affidavit, no pending formal dispute to which the communications related).

- *Decision*

The Board is not persuaded that the statements at issue in Applicant’s letter to Opposer comprise “statements made during compromise negotiations about the claim” under Fed. R. Evid. 408(a)(2) or otherwise fall within Rule 408. On the contrary, in the subject letter, Applicant rejects any legitimate basis for Opposer’s claims against Janoskians LLC, informs Opposer that it has experienced counsel who are prepared to defend any opposition, and is “prepared to spend as much time and money as necessary to protect our brand.” The next sentence, *i.e.*, “I just felt it

may be useful to reach out to you with the hope of saving us both a substantial amount of time and money,” is effectively a threat or ultimatum to Opposer that if Opposer pursues the opposition against Janoskians LLC, it will face Applicant’s “very competent attorneys who are prepared to defend any opposition.” The next, closing sentence, “If you would like to work something out, please feel free to call me at ...,” in the context of the entire letter, appears to be a disingenuous invitation to settle at best.

Additionally, there was no pending claim between the parties at the time the subject letter was written. *See Deere & Co. v. Int’l Harvester Co.*, 218 USPQ at 485; *Person’s Co., Ltd. v. Christman*, 9 USPQ2d at 1478. In fact, the letter at issue relates to another opposition involving another applicant,<sup>2</sup> the application which is the subject of this opposition was not filed until after the date of this letter, and the opposition was not filed until eight months after the letter was sent to Opposer.

Finally, Opposer’s submission of the letter at issue is not intended to prove liability for or invalidity of a claim or to impeach by a prior inconsistent statement or a contradiction, as required by Rule 408. Rather, Opposer has submitted the letter to demonstrate Applicant’s state of mind at the time the letter was written, which is an acceptable “another purpose” under Fed. R. Evid. 408(b). *See Bankcard America, Inc. v. Universal Bancard Systems, Inc.*, 203 F.2d 477, 484 (7<sup>th</sup> Cir. 2000) (rule permits evidence that is offered for a purpose other than establishing liability).

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<sup>2</sup> Notably, Chris Swanson, who wrote the subject letter to Opposer, stated in his declaration (attached to Applicant’s response to Opposer’s motion to consolidate) that Applicant does not have any ownership interest in Janoskians, LLC (¶4) and that the application for RAUNCHY PIG was not filed under the direction or authority of Janoskians (¶13).

In view of the foregoing, Fed. R. Evid. 408 does not apply to the letter at issue, and Applicant's motion to strike Exhibit B to the notice of opposition and paragraphs 13 and 14 therein is **denied**.<sup>3</sup>

Motion to Suspend and to Extend Date to Answer

Applicant's motion to suspend this proceeding during the pendency of the motion to strike is **denied**. The motion to strike is not a potentially dispositive motion, which would require suspension under Trademark Rule 2.127(d), and the Board finds no reason why this proceeding should be suspended under Trademark Rule 2.117(c).

As regards Applicant's motion to extend time to file an answer, Applicant essentially contends that the time to answer should be extended in view of the suspension of the proceeding. Opposer opposes the extension of time, arguing that there is no support for Applicant's failure to file a timely answer.

A motion to strike matter from a pleading will not relieve the defendant from filing its responsive pleading. TBMP § 506.02 (2014). However, inasmuch as Applicant filed its request for an extension of time before the time expired for filing an answer, the Board must determine whether there exists good cause for such an extension. *See* Fed. R. Civ. P. 6(b) and TBMP § 509 (2014) and cases cited therein. The Board is generally liberal in granting extensions before the period to act has lapsed, so long as the motion sets forth with particularity facts that constitute good cause for the requested extension, *Fairline Boats plc v. New Howmar Boats Corp.*,

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<sup>3</sup> The Board hastens to note that, notwithstanding the Board's decision regarding the motion to strike, the letters attached to the notice of opposition are not evidence that will be considered by the Board. *See* Trademark Rule 2.122(c).

59 USPQ2d 1479, 1480 (TTAB 2000), and the moving party has not been guilty of negligence or bad faith and the privilege of extensions is not abused. *See, e.g., SFW Licensing Corp. v. Di Pardo Packing Ltd.*, 60 USPQ2d 1372, 1375 (TTAB 2001); *Baron Philippe de Rothschild S.A. v. Styl-Rite Optical Mfg. Co.*, 55 USPQ2d 1848, 1851 (TTAB 2000); and *American Vitamin Products, Inc. v. DowBrands Inc.*, 22 USPQ2d 1316 (TTAB 1992).

Here, Applicant essentially presumes that the proceeding will be suspended and asks for an extension of time to file its answer in view of its belief that the proceeding would be suspended. The Board generally does not suspend proceedings for a motion to strike and, as discussed *supra*, parties are directed to file a responsive pleading notwithstanding the submission of a motion to strike. Nonetheless, in view of the particular circumstances of this case and inasmuch as the privilege of extensions has not been abused, and there is no evidence of negligence or bad faith on the part of Applicant, the Board finds it appropriate to reset the answer due date in this matter. In view thereof, Applicant's motion to extend its answer due date is **granted**. Applicant is allowed until **June 22, 2015**, to submit and serve an answer in this proceeding. Additionally, trial dates are reset as shown in the following schedule:

<b>Time to Answer</b>	<b>6/22/2015</b>
<b>Deadline for Discovery Conference</b>	<b>7/22/2015</b>
<b>Discovery Opens</b>	<b>7/22/2015</b>
<b>Initial Disclosures Due</b>	<b>8/21/2015</b>
<b>Expert Disclosures Due</b>	<b>12/19/2015</b>
<b>Discovery Closes</b>	<b>1/18/2016</b>

<b>Plaintiff's Pretrial Disclosures Due</b>	<b>3/3/2016</b>
<b>Plaintiff's 30-day Trial Period Ends</b>	<b>4/17/2016</b>
<b>Defendant's Pretrial Disclosures Due</b>	<b>5/2/2016</b>
<b>Defendant's 30-day Trial Period Ends</b>	<b>6/16/2016</b>
<b>Plaintiff's Rebuttal Disclosures Due</b>	<b>7/1/2016</b>
<b>Plaintiff's 15-day Rebuttal Period Ends</b>	<b>7/31/2016</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. *See* Trademark Rule 2.125, 37 C.F.R. § 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b), 37 C.F.R. §§ 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129, 37 C.F.R. § 2.129.

