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

Proceeding	92049187
Party	Plaintiff Constellation Wines U.S., Inc.
Correspondence Address	Moir J. Selinka Baker & Rannells, P.A. 575 Route 28 Raritan, NJ 08869 UNITED STATES m.selinka@br-tmlaw.com
Submission	Opposition/Response to Motion
Filer's Name	Moir J. Selinka
Filer's e-mail	m.selinka@br-tmlaw.com, k.hnasko@br-tmlaw.com, officeactions@br-tmlaw.com
Signature	/Moir J. Selinka/
Date	12/02/2008
Attachments	Petitioner's Response to Registrant's Request for Extension of Time.pdf (5 pages)(299217 bytes)

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CONSTELLATION WINES U.S., INC. Cancellation No.: 92049187

Petitioner, Mark(s): PAINTED HORSE &
DESIGN

v. Reg. No.: 3,371,658

ASV WINES, INC. Filed: Feb. 2, 2007

Registrant. Issued: January 22, 2008
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**PETITIONER'S RESPONSE TO REGISTRANT'S REQUEST FOR AN EXTENSION
OF TIME TO FILE RESPONSE TO PETITION TO CANCEL AND EXTEND
ASSOCIATED TRIAL DEADLINES OR IN THE ALTERNATIVE A SUSPENSION**

Pursuant to Rule 2.127 of the Trademark Rules of Practice, Petitioner, Constellation Wines U.S., Inc., through its undersigned attorneys, hereby responds to Registrant, ASV Wine, Inc.'s motion requesting an extension of time to file a response to the Petition to Cancel.

I. Petitioner opposes Registrant's Request for an Extension of Time to File Response to Petition to Cancel and Extend Associated Trial Deadlines or in the Alternative a Suspension

The standard for allowing an extension of a prescribed period prior to the expiration of that period is good cause. Fed. R. Civ. P. 6(b)(1). §509.01(a) of the TBMP states,

A motion to extend must set forth with particularity the facts said to constitute good cause for the requested extension...Moreover, a party moving to extend time must demonstrate that the requested extension of time is not necessitated by the party's own lack of diligence or unreasonable delay in taking the required action during the time previously allotted therefor.

The Board has made it clear that they will grant extensions of time, "so long as the moving party has not been guilty of negligence or bad faith and the privilege of extensions is not

abused.” American Vitamin Products Inc. v. DowBrands Inc., 22 USPQ2d 1313, 1314 (TTAB 1992).

Not only has Registrant not shown good cause for the extension, Registrant’s unreasonable delay in answering the petition has necessitated the request and they are guilty of bad faith based on their misrepresentations of material fact to Petitioner as well as abusing the privilege of extensions.

A. Registrant has not shown good cause for the extension.

“The showing which has consistently been required by the Board and the courts in order to permit the late filing of an answer is that set forth in Rule 55(c), i.e., good cause,” Fred Hayman Beverly Hills Inc. v. Jacques Bernier Inc., 21 USPQ2d 1556, 1557 (TTAB 1991). In addition, the Board has held that “a motion to extend must state with particularity the grounds therefor, including detailed facts constituting good cause.” Luemme Inc. v. D.B. Plus Inc., 53 USPQ2d 1758, 1760 (TTAB 1999) citing Fed. R. Civ. P. 6(b), Trademark Rule 2.127(a), 4A Wright and Miller, federal Practice and Procedure, Sect. 1165 (1987), HKG Industries, Inc. v. Perma-Pipe, Inc., 49 USPQ2d 1156 (TTAB 1998), and Johnston Pump/General Valve Inc. v. Chromally American Corp., 13 USPQ2d 1719 (TTAB 1989). Registrant alleges that the Board should grant its request for additional time in order for Registrant to finalize the drawing portion of a new application and to obtain the approval of the Trademark Office of its new application. However, these reasons do not amount to good cause, because they are based on a false assumption by Registrant of an agreement with Petitioner that it did not have. As the Board has noted, “Cursory or conclusory allegations that are denied unequivocally by the non-movant, and that are not otherwise support by the record, will not constitute a showing of good cause.” Instruments SA Inc. v. ASI Instruments Inc., 53 USPQ2d 1925, 1927 (TTAB 1999).

Registrant, in its motion for an extension of time, implies that there was some sort of settlement reached with regard to the issues in the Petition. However, Petitioner never agreed to wait until a new application was approved by the Trademark Office. On May 14, 2008, counsel for Registrant contacted counsel for Petitioner and requested a 60-day extension of time claiming that Registrant was going to redesign its label and file a new application. Registrant indicated that once they filed the new application they would abandon the current registration and they just needed some time to do this. In order to be reasonable, and as a matter of professional courtesy,

Petitioner agreed to the 60-day extension. However, since that initial extension, Registrant has requested four additional extensions of time, on July 17, 2008, August 14, 2008, September 17, 2008 and October 16, 2008, each time maintaining that they just needed more time to redesign their label and file the new application, at which time they would abandon the registration that is the subject of this Petition for Cancellation. Now Registrant claims it would only abandon the current registration if it obtained the Trademark Office's approval of its new application for registration. This new piece of information, which was never stated before by Registrant to Petitioner, cannot now be relied upon as amounting to good cause.

"Good cause is usually found to have been established if the delay in the filing is not the result of willful conduct or gross neglect on the part of the defendant, if the delay will not result in substantial prejudice to the plaintiff, and if the defendant has a meritorious defense." Fred Hayman Beverly Hills Inc. v. Jacques Bernier Inc., 21 USPQ2d 1556, 1557 (TTAB 1991) citing Heleasco Seventeen, Inc. v. Drake, 102 F.R.D. 909 (D.Del. 1984). (Board held that failure to timely file answer was due to an inadvertence on part of applicant's counsel in incorrectly calculating the due date not willful conduct, 9-day delay in filing answer was not prejudicial and by submission of a non-frivolous answer applicant showed a meritorious defense)

Unlike the situation in Fred Hayman Beverly Hills, in the present case the delay in filing an answer to the Petition for Cancellation is absolutely the result of willful conduct on the part of Registrant as evidenced by its changed claim that it will abandon its current registration only upon approval for registration of the new trademark application and its claim that it was still redesigning the new label when it was actually redesigned and awaiting TTB approval. Further delaying the proceedings up to one and a half or two years—which is the time it could take to have a new application processed, examined and decided upon—will result in substantial prejudice to Petitioner as the proceedings have already been delayed six months while the parties respective products sit on store shelves next to one another causing customer confusion. Finally, Registrant has not provided any information that amounts to a meritorious defense except for a false allegation that it would abandon its present registration upon approval of its new mark for registration by the Trademark Office. In light of the above, Registrant's Request for an Extension of Time to file Response to Petition to Cancel and Extend Associated Trial Deadlines or in the Alternative a Suspension should be denied.

B. Registrant is guilty of bad faith and abuse of the privilege of extensions.

“The Supreme Court has held that bad faith is not limited to instances in which a complaint is filed in bad faith, but that conduct in the course of litigation may also constitute bad faith.” Central Manufacturing Inc. v. Third Millennium Technology Inc., 61 USPQ2d 1210, 1213 (TTAB 2001) citing Hall v. Cole, 412 U.S. 1, 15, 93 S.Ct. 1943, 36 L.Ed.2d 702 1973). Registrant’s half-truths, both in its conversations with counsel for Petitioner and in the present motion to which this response applies, are clear showing of Registrant’s bad faith and intent to abuse the privilege of extensions. All along, Registrant claimed it just needed some more time to redesign its label to one that would not be confusingly similar to Petitioner’s. In its consent to a fourth extension of time, Registrant made it clear to Petitioner that that would be the last extension it would agree to. However, on October 16, 2008, an associate in the office of counsel for Registrant told counsel for Petitioner that they needed more time because her colleague was out of the office recovering from surgery and the person responsible for the redesign of Registrant’s label was away on business so they could not determine the status of the label. Once again, as a matter of professional courtesy it was decided to consent to the request as it would have seemed unconscionable to give counsel for Registrant a hard time when they were recovering from surgery, and Petitioner assumed counsel was telling the truth. It has since been determined, however, that the very next day, October 17, 2008, Registrant filed an application with the Alcohol and Tobacco Tax and Trade Bureau (TTB) submitting its redesigned label for approval. Obviously, Registrant’s request for a fifth extension of time was no more than a bad faith attempt to delay these proceedings further.

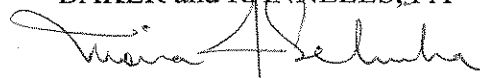
Not until November 17, 2008, almost a month after the label had been approved by the TTB and less than a day before its answer to the Petition to Cancel was due (email was sent from the west coast late in the afternoon and not received by Petitioner’s counsel’s email account on the east coast until after close of business on the 17th), did Registrant forward an example of the redesigned label and asked that the Cancellation proceedings be suspended until the new trademark application was filed and approved. After it received the email on the morning of November 18, 2008, counsel for Petitioner informed counsel for Registrant it would not agree to a suspension of the proceedings or any additional extensions. In consideration of the above, Registrant’s Request for an Extension of Time to file Response to Petition to Cancel and Extend Associated Trial Deadlines or in the Alternative a Suspension should be denied.

Conclusion

Based on the fact that Registrant has not shown good cause for an extension of time to file a response to the Petition to Cancel and on the fact that Registrant has acted in bad faith in requesting previous extensions of time, Petitioner respectfully requests that Registrant's Request for an Extension of Time to file Response to Petition to Cancel and Extend Associated Trial Deadlines or in the Alternative a Suspension be denied and a judgment of default be entered against Registrant for failure to file a timely answer.

Dated: December 2, 2008

BAKER and RANNELLS, PA



Moira J. Selinka

Linda M. Kurth

Attorneys for Petitioner

575 Route 28, Suite 102

Raritan, New Jersey 08869

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing **PETITIONER'S RESPONSE TO REGISTRANT'S REQUEST FOR AN EXTENSION OF TIME TO FILE RESPONSE TO PETITION TO CANCEL AND EXTEND ASSOCIATED TRIAL DEADLINES OR IN THE ALTERNATIVE A SUSPENSION** was forwarded by first class postage pre-paid mail by depositing the same with the U.S. Postal Service on this 2nd day of December, 2008 to the counsel for Registrant at the following address:

Anne Hiaring Hocking, Esq.

Law Offices of Anne Hiaring

711 Grand Avenue, Suite 260

San Rafael, CA 94901



Moira J. Selinka