

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

Lykos

Mailed: December 5, 2008

Cancellation No. 92049973

ABBYY Software Ltd.

v.

Ectaco Inc.

Angela Lykos, Interlocutory Attorney

Pursuant to Fed. R. Civ. P. 26(f) and Trademark Rules 2.120(a)(1) and (2), the parties to this proceeding conducted a discovery conference at 4:00 p.m. EST, on December 4, 2008. Respondent, appearing *pro se*, was represented by Mr. Boris Krol, Product Manager for respondent;¹ petitioner was represented by its appointed legal counsel, Mr. Roy Ching; and participating for the Board was the above-signed.

¹ Out the outset of the conference, Mr. Greg Lubinitsky was present on behalf of respondent as a "consultant." During the conference, it became apparent that Mr. Lubinitsky was not an employee of respondent, nor was he respondent's appointed legal counsel. Counsel for petitioner objected to his presence at the discovery conference; the Board sustained the objection. Mr. Lubinitsky then left the conference. The Board advised respondent that while Mr. Lubinitsky could participate in informal discussions with petitioner (for example, settlement negotiations), he could not formally appear on behalf of respondent before the Board.

This order memorializes what transpired during the conference as well as providing additional guidance for both parties.

At the onset of the conference, the Board apprised respondent of its general obligations as a *pro se* litigant as summarized in the information appended to the end of this order. The Board also generally explained the discovery and trial process. Respondent was advised that the discovery conference was not the forum for arguing the merits of its case. Lastly, the Board suggested that respondent retain legal counsel experienced in Board proceedings to serve as its representative.

The Board advised respondent that to the extent that its November 4, 2008 communication was construed as an "answer," it failed to comply with the requirements set forth in Fed. R. Civ. P. 8 (b). The Board counseled respondent regarding the requirements of an answer. Respondent was apprised that Fed. R. Civ. P. 8(b) provides, in part:

A party shall state in short and plain terms the party's defenses to each claim asserted and shall admit or deny the averments upon which the adverse party relies. If a party is without knowledge or information sufficient to form a belief as to the truth of an averment, the party shall so state and this has the effect of a denial. Denials shall fairly meet the substance of the averments denied. When a pleader intends in good faith to deny only a part or a

qualification of an averment, the pleader shall specify so much of it as is true and material and shall deny only the remainder.

The Board explained to respondent that the petition to cancel filed by petitioner herein consists of thirty-two (32) paragraphs setting forth the basis of petitioner's claims, and that in accordance with Fed. R. Civ. P. 8(b) it is incumbent on respondent to answer the complaint by **admitting or denying** the allegations contained in each paragraph. Respondent was provided with the example of "Paragraph 1. Denied. Paragraph 2. Denied." Further, the Board stated that if respondent is without sufficient knowledge or information on which to form a belief as to the truth of any one of the allegations, it should so state and this will have the effect of a denial.

Respondent was also advised that the evidence and argumentation it submitted with its answer would not be considered at trial; that the proper time for the submission of evidence in support of its case is during its assigned testimony period; and that all such evidence, in order to be considered, must be submitted in conformance with the Trademark Rules of Practice. The Board strongly urged respondent to review Chapter 700 of the TBMP.

In view thereof, respondent is allowed until December 27, 2008 to file an answer which complies with Fed. R. Civ.

P. 8, failing which respondent will be ordered to show case why default judgment should not be entered pursuant to Fed. R. Civ. P. 55(a).

The Board discussed the automatic imposition of the Board's standard protective order in this case. Additionally, the Board stated that if the parties wished to modify the Board's standard protective order, they could do so by filing a written motion for Board approval.

The Board reminded the parties that pursuant to the Board's recent rule amendments, neither the exchange of discovery requests nor the filing of a motion for summary judgment (except on the basis of res judicata or lack of Board jurisdiction) could occur until the parties made their initial disclosures as required by Fed. R. Civ. P. 26(f). To elaborate, as per rule 26(f) and applied Board proceedings, the disclosures are as follows:

(A) *In General*. Except as exempted by Rule 26(a)(1)(B) or as otherwise stipulated or ordered by the court, a party must, without awaiting a discovery request, provide to the other parties:

(i) the name and, if known, the address and telephone number of each individual likely to have discoverable information – along with the subjects of that information – that the disclosing party may use to support its claims or defenses, unless the use would be solely for impeachment;

(ii) a copy – or a description by category and location – of all documents, electronically stored information, and tangible things that the disclosing party has in its possession, custody, or control and may use to support its claims or

defenses, unless the use would be solely for impeachment.

The Board suggested to the parties that they could adopt various measures to limit the scope of discovery, including agreeing to limit the number of depositions, interrogatories, document production requests, admission requests. During the conference counsel for petitioner indicated a willingness to consider such limitations after the parties exchanged initial disclosures.

Counsel for petitioner, noting that he is located in California and that Mr. Krol, who would appear to be a potential witness for a discovery deposition pursuant to Fed. R. Civ. 30(b)(6), works and resides in New York, inquired as to whether Mr. Krol would be willing to personally appear in a closer geographic location in order to save travel costs. The Board indicated that absent any agreement from Mr. Krol, the Board could not order Mr. Krol to appear elsewhere. The Board suggested as a compromise that counsel for petitioner could take the discovery deposition via telephone, if respondent agreed, pursuant to Fed. R. Civ. P. 30(b)(7).²

² The rule provides that a deposition may be taken or attended by telephone either by stipulation of the parties or upon motion granted by the Board. *Hewlett-Packard Co. v. Healthcare Personnel Inc.*, 21 USPQ2d 1552 (TTAB 1991) ("*Hewlett-Packard*").

Counsel for petitioner, however, did not want to agree to such a manner of taking the deposition at this time.

The parties were also advised that they could stipulate to the authenticity of documents retrieved from the Internet. The parties, however, declined to enter into such a stipulation at this juncture.

The parties decided to accept service of papers in this proceeding by e-mail as suggested by the Board.

The Board explained Accelerated Case Resolution ("ACR") to the parties, an expedited procedure for obtaining a final decision from the Board. In order to pursue ACR, the parties must stipulate that the Board can make findings of fact. Counsel for petitioner indicated that he may be willing to pursue ACR at a later date for the Section 2(d) claim, notably this issue of priority. The Board advised the parties that ACR may not be suitable for the fraud claim, and that if the parties were willing to agree to ACR to resolve the Section 2(d) claim, the Board would need to explore the possibility of pursuing ACR on a bifurcated basis. The parties are advised to review the more detailed information about ACR appended to the end of this order. The Board advises the parties that if the parties agree to pursue ACR, they should notify the Board in writing as soon

as possible and no later than FORTY-FIVE (45) days from the mailing date of this order.

At the end of the conference, the parties indicated that following the submission of respondent's revised answer, they would be interested in having Board participation in a follow-up telephone conference. The Board indicated that it would be available for such a conference, and that the parties should contact the undersigned to schedule one.

The parties are advised that in the event they decide to further pursue settlement discussions, to use their best efforts to cooperate and communicate in a mutually convenient manner.

Lastly, in the interest of proactively managing the Board's docket and in light of respondent's *pro se* status, the requests if either party intends to file any unconsented interlocutory motion in this case, that the moving party must first the Board interlocutory attorney assigned to the case by telephone to discuss the matter. This is consistent with the underlying intent of the amended rules which is to

. . . increase the efficiency by which discovery and pretrial information is exchanged between parties to inter partes cases, by adopting a modified form of the disclosure practice that is uniformly followed in the federal district courts. These practices have been found in the courts to enhance settlement prospects and to lead to earlier settlement of cases; and for

cases that do not settle, disclosure has been found to promote greater exchange of information, leading to increased procedural fairness and a greater likelihood that cases eventually determined on their merits are determined on a fairly created record.

Miscellaneous Changes to Trademark Trial and Appeal Board Rules, 72 FR 42242 (August 1, 2007).

Dates are reset as follows:

Initial Disclosures Due	1/10/09
Expert Disclosures Due	5/10/09
Discovery Closes	6/9/09
Plaintiff's Pretrial Disclosures	7/24/09
Plaintiff's 30-day Trial Period Ends	9/7/09
Defendant's Pretrial Disclosures	9/22/09
Defendant's 30-day Trial Period Ends	11/6/09
Plaintiff's Rebuttal Disclosures	11/21/09
Plaintiff's 15-day Rebuttal Period Ends	12/21/09

The Board thanks the parties for their participation.

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Pro Se Information

As noted above, respondent is not represented by legal counsel in this proceeding. While Patent and Trademark Rule 10.14 permits any person to represent itself, it is generally advisable for a person who is not acquainted with the technicalities of the procedural and substantive law involved in an opposition or opposition proceeding to secure the services of an attorney who is familiar with such

matters. The Patent and Trademark Office cannot aid in the selection of an attorney.

The Trademark Rules of Practice, other federal regulations governing practice before the Patent and Trademark Office, and many of the Federal Rules of Civil Procedure govern the conduct of this proceeding. The Trademark Rules are codified in part two of Title 37 of the Code of Federal Regulations (also referred to as the CFR). There are other rules in part one of Title 37, relevant to filing of papers, meeting due dates, etc., that are also applicable to this case. The CFR and the Federal Rules of Civil Procedure, are likely to be found at most law libraries, and may be available at some public libraries. If petitioner or respondent wishes to obtain a copy of Title 37 of the CFR, it may be ordered for a fee from the Government Printing Office, Washington, D.C. 20401, or from the U.S. Government Bookstore, using the following web address: <http://bookstore.gpo.gov/actions/GeneralSearch.do>. The parties may also refer to the Trademark Trial and Appeal Board Manual of Procedure (TBMP) and the Trademark Rules of Practice, both available on the USPTO website, www.uspto.gov.

Respondent is reminded that Trademark Rules 2.119(a) and (b) require that every paper filed in the Patent and Trademark Office in a proceeding before the Board must be served upon the attorney for the other party (or adversary),

or on the party (or adversary) if there is no attorney, and proof of such service must be made *before the paper will be considered by the Board*. Consequently, copies of all papers that the parties may subsequently file in this proceeding must be accompanied by "proof of service" of a copy on the other party or the other party's counsel.

"Proof of service" usually consists of a signed, dated statement attesting to the following matters: (1) the nature of the paper being served, (2) the method of service (e.g., first class mail), (3) the person being served and the address used to effect service, and (4) the date of service.

While it is true that the law favors judgments on the merits wherever possible, it is also true that the Patent and Trademark Office is justified in enforcing its procedural deadlines. *Hewlett-Packard v. Olympus*, 18 USPQ2d 1710 (Fed. Cir. 1991). In that regard, the parties should note that any paper they are required to file herein must be received by the Patent and Trademark Office by the due date, unless one of the filing procedures set forth in Patent and Trademark Rules 1.8 and 1.10 is utilized.³ These rules in

³ Use of electronic filing with ESTTA (Electronic System for Trademark Trials and Appeals (ESTTA)), available through the USPTO website, is strongly encouraged.

part one of Title 37 of the previously-discussed Code of Federal Regulations.

Files of TTAB proceedings can now be examined using TTABVue, accessible at <http://ttabvue.uspto.gov>. After entering the 8-digit proceeding number, click on any entry in the prosecution history to view that paper in PDF format.

The first revision of the second edition (March 2004) of the Trademark Trial and Appeal Board Manual of Procedure (TBMP) has been posted on the USPTO web site at www.uspto.gov/web/offices/dcom/ttab/tbmp/.

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Accelerated Case Resolution ("ACR")

Parties seeking a final determination of their opposition or cancellation proceeding quickly and without

Correspondence required to be filed in the Office within a set period of time will be considered as being timely filed on the date of deposit in the mail if accompanied by a certificate of mailing. The actual date of receipt by the Office will be used for all other purposes, including electronically filed documents.

Certificate of Mailing

I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as first-class mail in an envelope addressed to:

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

on _____ (Date)
_____ (Signature)
_____ (Typed or printed name)

the time and expense of a full trial should consider the Trademark Trial and Appeal Board's "Accelerated Case Resolution" (ACR) procedure.

ACR is a procedure akin to summary judgment in which parties can receive a determination of the claims and defenses in their case promptly, but without the uncertainty of result and delay typically presented by standard summary judgment practice. Parties often file motions for summary judgment in the hope of avoiding a costly trial, but these motions often must be denied because there is at least one material fact in dispute. *See, e.g., Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992); and *Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993). As a result, these parties spend considerable time and expense on a motion that frequently does not in any way advance the prosecution of the case. Apart from not obtaining a final, appealable decision, they also have not created a record that will save time at trial, because evidence submitted in connection with unsuccessful motions for summary judgment is of record only for consideration of those motions. To be considered at final hearing, any such evidence must be properly introduced in evidence during the appropriate trial period. *See American Meat Institute v. Horace W. Longacre, Inc.*, 211 USPQ 712, 716 n.2 (TTAB 1981).

Under changes to the Trademark Rules for inter partes Board proceedings effective November 1, 2007, parties to such proceedings must conference to discuss claims, defenses, settlement possibilities, and alternatives for disclosures, discovery and trial. When either party to a Board case concludes that resolution of the opposition or cancellation proceeding without extensive discovery or trial periods may be desired, the party should notify the interlocutory attorney. Preferably such notice would be provided during the required settlement and discovery conference to be held within 30 days of the close of pleadings. Then, the possible use of ACR can be discussed during the conference.

However, even if the ACR option is not chosen during the conference, the parties may agree to pursue ACR after some disclosures and discovery. In such cases, the interlocutory should be notified no later than two months from the opening of the original discovery period. The further the parties proceed into discovery, the less likely it is that resort to ACR will realize savings of time and resources.

A typical ACR case is anticipated to be one in which the parties are able to stipulate to many facts, or in which each party expects to rely on the testimony of only one or two witnesses and the overall record is not extensive. If the interlocutory attorney agrees that the case is

appropriate for ACR, the parties will be given a period of time to complete discovery, if necessary, and to file briefs. If agreement is signaled in the settlement and discovery planning conference, the interlocutory may then tailor the disclosure and discovery schedule to facilitate ACR. If agreement is provided later, i.e., early in discovery, the interlocutory may then issue an order delineating limits on any remaining discovery activities and the schedule for submitting briefs. The parties may include evidence with their briefs, including written disclosures and disclosed documents, and stipulate to facts for the Board to consider. After the briefs are filed, the Board will issue a decision on the merits within fifty days, which will be judicially reviewable as set out in 37 CFR § 2.145. In order to take advantage of ACR, the parties must stipulate that, in lieu of trial, the Board can resolve any issues of material fact. If the parties have already filed cross-motions for summary judgment, they may also stipulate that the Board may resolve any issues of material fact and consider the parties' cross-motions as the parties' final briefs in the case in lieu of a full trial.

Further, where the Board finds a case a good candidate for ACR, it will so inform the parties and seek their agreement to use ACR procedures. Parties desiring to use ACR in other situations, such as after the close of

discovery, should contact the assigned interlocutory attorney. Questions about ACR should be addressed to the Board interlocutory attorney assigned to the case in which the parties are considering use of ACR.

NEWS FROM THE TTAB:

The USPTO published a notice of final rulemaking in the Federal Register on August 1, 2007, at 72 F.R. 42242. By this notice, various rules governing Trademark Trial and Appeal Board inter partes proceedings are amended. Certain amendments have an effective date of August 31, 2007, while most have an effective date of November 1, 2007. For further information, the parties are referred to a reprint of the final rule and a chart summarizing the affected rules, their changes, and effective dates, both viewable on the USPTO website via these web addresses:

<http://www.uspto.gov/web/offices/com/sol/notices/72fr42242.pdf>

http://www.uspto.gov/web/offices/com/sol/notices/72fr42242_FinalRuleChart.pdf

By one rule change effective August 31, 2007, the Board's standard protective order is made applicable to all TTAB inter partes cases, whether already pending or commenced on or after that date. However, as explained in the final rule and chart, this change will not affect any case in which any protective order has already been approved or imposed by the Board. Further, as explained in the final rule, parties are free to agree to a substitute protective order or to supplement or amend the standard order even after August 31, 2007, subject to Board approval. The standard protective order can be viewed using the following web address:

<http://www.uspto.gov/web/offices/dcom/ttab/tbmp/stndagmnt.htm>