

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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SKS

May 11, 2020

Cancellation No. 92070407

AWP USA Inc.

v.

Chubb INA Holdings Inc.

Shanna K. Sanders, Interlocutory Attorney:

This case comes up on Petitioner's motion, filed December 23, 2019, to reopen its deadline for pretrial disclosures and extend its testimony period. The motion is contested by Respondent.¹ Petitioner did not file a reply brief in support of the motion.

I. Procedural Background

This case proceeded along the original schedule set forth in the Board's institution order issued on January 23, 2019. Discovery closed on September 30, 2019 and Petitioner's pretrial disclosures were due on November 14, 2019.² On December 23, 2019, Petitioner filed the present construed motion to reopen its deadline for pretrial disclosures and extend its testimony period, which was scheduled to close on December 29, 2019.

¹ The notice of appearance filed by Jenifer deWolf Paine of Fish & Richardson P.C., counsel for Respondent, on February 4, 2020, is noted. The Board has updated its records accordingly.

² 2 TTABVUE 3.

In support of its motion, Petitioner asserts that since the close of discovery, the parties have engaged in settlement negotiations, and specifically, have discussed suspending this proceeding in order to pursue settlement.³ According to Petitioner, there was an “implied expectation” that the case would not move forward during the negotiations.⁴ Petitioner further asserts that the proposed delay is minimal and that extending Respondent’s deadlines for pretrial disclosures and testimony would eliminate any danger of prejudice to Respondent.⁵

In opposition to the motion, Respondent denies that there were continuing discussions between the parties about suspending the proceeding.⁶ Respondent asserts that it contacted Petitioner on September 30, 2019 to gauge interest in a 60-day suspension to pursue settlement but did not receive a response until more than 11 weeks later.⁷ According to Respondent, the delay was due to Petitioner’s own lack of diligence.⁸ And while Respondent “does not deny that settlement discussions took place,” it argues that the settlement discussions do not provide good cause for Petitioner’s motion to extend.⁹

II. Motion to Reopen Petitioner’s Time to Serve Pretrial Disclosures

Because the deadline for Petitioner’s pretrial disclosures has closed, Petitioner must establish that its failure to act in a timely manner was the result of excusable

³ 6 TTABVUE 3-4.

⁴ *Id.* at 4.

⁵ *Id.*

⁶ 8 TTABVUE 5.

⁷ *Id.* at 10-12.

⁸ *Id.* at 5.

⁹ *Id.* at 6.

neglect. *See Vital Pharm. Inc. v. Kronholm*, 99 USPQ2d 1708, 1710 (TTAB 2011). In determining excusable neglect, the Board considers the following factors set forth in *Pioneer Inv. Servs. Co. v. Brunswick Assocs. Ltd. P'ship*, 507 U.S. 380, 395 (1993), and adopted by the Board in *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d 1582 (TTAB 1997): (1) the danger of prejudice to the non-moving party; (2) the length of delay and its potential impact on judicial proceedings; (3) the reason for the delay, including whether it was within the reasonable control of the moving party; and (4) whether the moving party has acted in good faith.

Applying the first *Pioneer* factor, there does not appear to be measurable prejudice to Respondent aside from a brief delay. However, more than mere delay is required. The Board considers prejudice that impacts the non-movant's ability to litigate the case due to, for example, the loss or unavailability of evidence or witnesses which otherwise would have been available to the non-movant. *Pumpkin Ltd.*, 43 USPQ2d at 1587. Those circumstances do not exist here. Thus, the Board finds that the first factor weighs in favor of finding excusable neglect.

As to the second *Pioneer* factor, Petitioner waited more than five weeks after its missed deadline before it filed its motion to reopen. In addition to the time between the due date for Petitioner's pretrial disclosures and the filing of its motion to reopen, the Board takes into account the additional delay arising from briefing and deciding its motion to reopen. *See PolyJohn Enter. Corp. v. 1-800-Toilets Inc.*, 61 USPQ2d 1860, 1862 (TTAB 2002). The Board finds that Petitioner's delay, while not extensive,

has still disrupted the orderly administration of this case. Accordingly, the delay in this case weighs against finding excusable neglect.

With respect to the third *Pioneer* factor, Petitioner explained that its failure to act was due to an “implied expectation” that the proceeding would not move forward during the parties’ settlement negotiations. While attempts at settlement are generally favored, they do not excuse Petitioner’s failure to act within the prescribed time. *See Atlanta-Fulton County Zoo Inc. v. DePalma*, 45 USPQ2d 1858, 1859 (TTAB 1998) (the belief in settlement and/or the existence of settlement negotiations do not justify a party’s inaction or delay or excuse it from complying with the deadlines set by the Board or imposed by the rules.). In the absence of a suspension, the Board assumes the parties are working towards settlement simultaneously with doing the necessary work for discovery, trial, or any other pertinent deadlines. At no point did Petitioner seek an extension or suspension of proceedings for settlement discussions. In fact, Respondent contacted Petitioner on September 30, 2019 to propose such a suspension, but Petitioner did not respond until more than 11 weeks later.¹⁰ The Board finds that Petitioner’s failure to act before the close of its deadline for pretrial disclosures was within Petitioner’s reasonable control. The third factor weighs against finding excusable neglect.

Regarding the fourth and final *Pioneer* factor, there is no evidence of a bad faith attempt by Petitioner to delay the proceeding. This factor weighs in favor of finding excusable neglect.

¹⁰ 8 TTABVUE 10-12.

After careful consideration of the *Pioneer* factors and the relevant circumstances in this case, the Board finds that Petitioner has failed to establish that its failure to serve pretrial disclosures was the result of excusable neglect. Petitioner's reason for the delay and the effect of that delay on the proceeding clearly outweigh the lack of prejudice or bad faith. *See Vital Pharm. Inc.*, 99 USPQ2d at 1710 (finding no excusable neglect based on second and third factors, with third weighted heavily in the analysis); *Atlanta-Fulton County Zoo*, 45 USPQ2d at 1860 (same). Accordingly, Petitioner's motion to reopen its time to serve pretrial disclosures is **denied**.

III. Motion to Extend Petitioner's Testimony Period

Because the motion to extend was filed prior to the close of Petitioner's testimony period, the applicable standard for the extension is good cause. Fed. R. Civ. P. 6(b)(1)(A); Trademark Trial and Appeal Board Manual of Procedure ("TBMP") § 509.01 (June 2019). The Board generally is liberal in granting extensions of time before the period to act has elapsed so long as the moving party has not been guilty of negligence or bad faith and the privilege of extensions is not abused. *See Am. Vitamin Products Inc. v. Dow Brands Inc.*, 22 USPQ2d 1313 (TTAB 1992).

The Board has reviewed the parties' papers and supporting exhibits. In this case, the Board finds that the privilege of extensions has not been abused and finds no evidence of negligence or bad faith on the part of Petitioner. In support of the requested extension, Petitioner asserts that the parties were discussing settlement, and Respondent does not deny that negotiations were taking place.¹¹ Accordingly, the

¹¹ 8 TTABVUE 6.

Board finds, in its discretion, that Petitioner has established the requisite good cause for extending its testimony period. *See Jodi Kristopher Inc. v. Int'l Seaway Trading Corp.*, 88 USPQ2d 1798, 1800 (TTAB 2008).

In view thereof, Petitioner's motion to extend its testimony period is **granted** and Petitioner's testimony period and all subsequent dates will be rescheduled as set forth below.

IV. Conclusion

Proceedings are **resumed**. Trial dates are reset as follows:

Plaintiff's 30-day Trial Period Ends	6/11/2020
Defendant's Pretrial Disclosures Due	6/26/2020
Defendant's 30-day Trial Period Ends	8/10/2020
Plaintiff's Rebuttal Disclosures Due	8/25/2020
Plaintiff's 15-day Rebuttal Period Ends	9/24/2020
Plaintiff's Opening Brief Due	11/23/2020
Defendant's Brief Due	12/23/2020
Plaintiff's Reply Brief Due	1/7/2021
Request for Oral Hearing (optional) Due	1/17/2021

Generally, the Federal Rules of Evidence apply to Board trials. Trial testimony is taken and introduced out of the presence of the Board during the assigned testimony periods. The parties may stipulate to a wide variety of matters, and many requirements relevant to the trial phase of Board proceedings are set forth in Trademark Rules 2.121 through 2.125, 37 C.F.R. § 2.121-2.125. These include pretrial disclosures, the manner and timing of taking testimony, matters in evidence, and the procedures for submitting and serving testimony and other evidence, including affidavits, declarations, deposition transcripts and stipulated evidence. Trial briefs

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shall be submitted in accordance with Trademark Rules 2.128(a)-(b), 37 C.F.R. § 2.128(a)-(b). Oral argument at final hearing will be scheduled only upon the timely submission of a separate notice as allowed by Trademark Rule 2.129(a), 37 C.F.R. § 2.129(a).