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

Proceeding	92046185
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Attachments	PFI's Response to Petrs' Motion for Reconsideration.pdf ( 14 pages )(108705 bytes )

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

In re Registration No. 1,606,810 (REDSKINETT Registered July 17, 1990,	ES)
Registration No. 1,085,092 (REDSKINS) Registered February 7, 1978,	
Registration No. 987,127 (THE REDSKINS & D Registered June 25, 1974,	ESIGN)
Registration No. 986,668 (WASHINGTON RED Registered June 18, 1974,	SKINS & DESIGN)
Registration No. 978,824 (WASHINGTON RED Registered February 12, 1974,	SKINS)
and Registration No. 836,122 (THE REDSKINS-Registered September 26, 1967	—STYLIZED LETTERS)
Amanda Blackhorse, Marcus Briggs, Phillip Gover, Jillian Pappan, and Courtney Tsotigh,	) ) )
Petitioners,	) ) Cancellation No. 92/046,185
V.	)
Pro-Football, Inc.,	) ) )
Registrant.	) ) )

# REGISTRANT'S RESPONSE TO PETITIONERS' MOTION TO RECONSIDER THE LEGAL STANDARD FOR LACHES

Petitioners' motion for the Board to reconsider the existence of and standard governing Registrant's affirmative defense of laches is facially frivolous. Not only is the motion untimely by at least *eleven months*, but it also disregards the Board's unequivocal mandate that its May 31, 2011 order, setting the applicable law of laches in this proceeding, was "final." Order (May 31, 2011) [Dkt. #40] ("May 31 Order") at 12 n.6. The Board should therefore disregard the instant motion in its entirety without attending to the merits. *See* Order (May 5, 2011) [Dkt. #39] ("May 5 Order") at 4 (after an issue is decided, "any further re-argument ... will not be considered").

Even on the merits, Petitioners' motion is plainly wrong. Their re-argument is premised on a purported "change in the law," *i.e.*, the Leahy-Smith America Invents Act ("AIA"). The AIA, however, has no bearing on the Board's May 31 Order on laches because: (1) the May 31 Order was not contingent upon the venue of a potential appeal; (2) the Federal Circuit—the Board's primary reviewing court—*still* has not ruled on whether laches is a valid affirmative defense to a disparagement claim; and (3) in *Harjo*, the D.C. District Court ("District Court") and D.C. Circuit Court of Appeals ("D.C. Circuit") already addressed identical arguments to those raised by Petitioners here, correctly determining that the text of the Lanham Act provides for a defense of laches.

In short, Petitioners raise the same arguments that the District Court, D.C. Circuit, and the Board have already considered and rejected. The Board should not only disregard Petitioners' motion, but should also sanction Petitioners for violating the Board's orders and wasting everyone's time.

### **BACKGROUND**

On March 15, 2011, the Board issued an order setting forth "[t]he applicable law as discussed in the Board's previous decision in *Harjo* and the decisions by the [District Court and D.C. Circuit]" on laches, and "invit[ing] the parties to submit their edits, additions, suggestions, etc. in writing prior to the [April 13, 2011] conference." Order (March 15, 2011) [Dkt. #32] at 3. In their submission, Petitioners offered the following argument on Registrant's laches defense:

On the issue of laches, Petitioners believe that the D.C. Circuit erred when it rejected the Board's position that the equitable doctrine of laches does not provide a defense in cases in which a petition implicates broad, public policy interests. See Harjo v. Pro-Football, Inc., 30 USPO2d 1828, 1831 (TTAB 1994); see also High Sierra Food Servs., Inc. v. Lake Tahoe Brewing Co., Inc., Cancellation No. 29,933, 2003 WL 21206252, at \*4 (TTAB May 14, 2003) (unpublished) ("The equitable doctrine of laches is not available against a claim of deceptiveness ... because it is within the public interest to cancel registrations ... which are deceptive, and this interest or concern cannot be waived by a single person or entity, no matter how long the delay has persisted."). The Board is entitled to deference in its interpretation of the Lanham Act and in how the doctrine of laches applies under the Lanham Act, and the Board is not legally obligated to acquiesce in the D.C. Circuit's decision. Nonetheless, Petitioners respectfully suggest that the Board analyze the defense of laches both under its own *Harjo* standard and under the standard announced by the D.C. Circuit. Doing so will aid the parties in case there is a subsequent action in federal court. Accordingly, Petitioner's [sic] comments on the legal standard on laches are offered without waiving their position that the Board's decision on laches in *Harjo* was correct and that the D.C. Circuit erred.

Petitioners' Comments (April 11, 2011) [Dkt. #34] ("Pets. Comments") at 2.

In response, Registrant explained why Petitioners' positions were incorrect. *See* Pro-Football, Inc.'s Response (April 25, 2011) [Dkt. #38] ("Reg. Response") at 4-5. Registrant respectfully directs the Board to its full response; in summary, Registrant informed the Board, *inter alia*, that: (1) the District Court in *Harjo* found that the Board's analysis of the availability of laches was a legal question not entitled to *Chevron* deference; and (2) the District Court's and D.C. Circuit's decisions correctly confirmed, based on the text of the Lanham Act, that laches was available to Registrant, and should likewise be available in this proceeding.

On May 5, 2011, the Board issued an order addressing the law of the case, which included the following direction under the heading "Consequences Of Rearguing Issues That Have Been Decided":

[O]nce the Board issues an order that constitutes law of the case and/or preserves an issue for appeal, any further re-argument of the issue in a subsequent motion or brief will not be considered. Moreover, the Board may exercise its discretion and disregard the entire motion or brief in which the re-argument is included. *In this regard, any motion or brief including a re-argument of a previously decided issue in this proceeding will be deemed to be a nonconforming brief and will be given no consideration.* 

May 5 Order at 4 (emphasis added).

On May 31, 2011, after considering the parties' respective positions, the Board issued an order in which it "set forth below the applicable law relating to ... laches." May 31 Order at 2. In so doing, the Board relied upon a wide array of law, including multiple opinions from the Federal Circuit and earlier Board decisions. The Board also directly addressed Petitioners' laches arguments:

We note petitioners' position that the "D.C. Circuit erred when it rejected the Board's position that the equitable doctrine of laches does not provide a defense in cases in which a petition implicates broad, public policy interests" and that "the Board is not legally obligated to acquiesce in the D.C. Circuit's decision." Petitioner's Comments, April 11, 2011, p. 3. Because the Federal Circuit, our primary reviewing court, has not ruled on whether laches is a valid affirmative defense to a disparagement claim, and this cancellation proceeding is essentially a relitigation of what transpired in the *Harjo* case before the Board, we will follow the precedent of the D.C. Circuit Court of Appeals in *Pro-Football, Inc. v. Harjo*, 415 F.3d 44, 75 USPQ2d 1525, 1527 (D.C. Cir. 2005) in allowing the defense of laches in this case. *This is a final decision regarding the allowance of laches as a defense in this case* and to the extent that petitioners maintain that laches does not provide a defense to a disparagement claim, *this issue is preserved for appeal*.

May 31 Order at 12 n.6 (emphases added).

On September 16, 2011, the AIA was signed into law. *See* Pub. L. No. 112-29. Prior to the AIA, a party to a cancellation proceeding wishing to appeal the Board's decision had the choice of seeking appellate review: (1) in the Federal Circuit; (2) in the district where the adverse party resides; or (3) if multiple adverse parties reside in a plurality of districts not within the same state, the U.S. District Court for the District of Columbia. 15 U.S.C. §§ 1071(b)(1), 1071(b)(4). The AIA amended § 1071(b)(4) such that if multiple adverse parties reside in a plurality of districts not within the same state, the U.S. District Court for the Eastern District of Virginia, rather than the District of Columbia, shall have jurisdiction.

On December 22, 2011, Petitioners and Registrant entered into a joint stipulation regarding the factual record relating to Registrant's laches defense. *See* Second Joint Stipulation, dated Dec. 22, 2011 [Dkt. #45] at ¶ 1. Petitioners did not move the Board to reconsider the May 31 Order until September 6, 2012—the same date they filed their Trial Brief in this proceeding.

### **ARGUMENT**

#### I. PETITIONERS' MOTION VIOLATES THE BOARD'S PREVIOUS ORDERS

As a threshold matter, Petitioners' motion facially violates the Board's orders previously issued in this proceeding. As noted above, the Board held that once it issues "an order that constitutes law of the case and/or preserves an issue for appeal, any further re-argument of the issue in a subsequent motion or brief will not be considered." May 5 Order at 4. The Board's May 31 Order did **both**, in holding that its determinations of the existence of and law applicable to Registrant's laches defense are the law of the case and are preserved for appeal. See May 31 Order at 12 n.6 (the Board's decision regarding the allowance of laches is a "final decision ... preserved for appeal"); id. at 2 (setting forth "the applicable law relating to ... laches"). Petitioners admit as much, asking for "reconsideration" of the May 31 Order. Because the instant motion indisputably constitutes "re-argument of a previously decided issue in this proceeding," it should "be deemed to be a nonconforming brief and ... be given no consideration." May 5 Order at 4.

### II. PETITIONERS' MOTION IS UNTIMELY

As an additional threshold matter, pursuant to § 518 of the TBMP, 37 C.F.R. § 2.127(b), "[a] request for reconsideration or modification of an order or decision issued on a motion must be filed within one month

from the date of the order or decision." Under TBMP § 518, Petitioners were required to file any motion for reconsideration of the May 31 Order by June 30, 2011. Assuming that the date of the "change in the law"— *i.e.*, the enactment of the AIA on September 16, 2011—is the relevant date that the one-month clock began to run, the deadline for filing a motion would have been October 16, 2011. Petitioners did not file the instant motion until nearly *one year* after enactment of the AIA, on the same day they filed their Trial Brief. Granting Petitioners every benefit of the doubt, their motion for reconsideration is untimely by at least 11 months. Petitioners do not even acknowledge, let alone explain, this astounding delay. Petitioners' motion therefore should be disregarded as untimely.

# III. THE AIA HAS NO BEARING ON THE MERITS OF THE BOARD'S MAY 31 ORDER AND THUS DOES NOT JUSTIFY RECONSIDERATION

Even if Petitioners' motion did not violate the Board's previous orders and was timely filed, Petitioners' motion fails on the merits because the enactment of the AIA has no bearing on the applicable law for laches that the Board adopted in this case.

### A. The May 31 Order Was Not Contingent Upon the Venue of a Potential Appeal

Petitioners' motion is dependent upon the bare assertion that "[t]he rationale for following the D.C. Circuit precedent no longer applies." Petitioners' Motion To Reconsider The Legal Standard For Laches ("Motion") at 3. Specifically, Petitioners argue, without any support, that "[t]he Board followed the D.C. Circuit's opinion regarding laches ... because, at the time, the Lanham Act provided that any subsequent proceedings would take place in D.C. federal courts (or the Federal Circuit)." *Id.* at 2.

This, of course, is factually wrong. If the Board finds in Registrant's favor and denies the petition for cancellation for any reason—including based on Registrant's laches defense—then venue for appellate review would rest *not in D.C. federal courts*, but in the federal court where Registrant resides. *See* 15 U.S.C.

issued." Thus, a motion for reconsideration is premised upon the Board erring at the time it issued the order.

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<sup>&</sup>lt;sup>1</sup> Petitioners describe the AIA's modification of § 1071(b)(4) as "a change in the law that justifies reconsidering this issue." Motion at 2. Notwithstanding that Petitioners are wrong on the merits, *see infra* Part III, Petitioners cite no authority that a "change in the law" post-dating an order is a valid basis for reconsideration. Under § 518 "[g]enerally, the premise underlying a motion for reconsideration ... is that, based on the facts before it and the prevailing authorities, the Board erred in reaching the order or decision it

§ 1071(b)(4). *This was true at the time the May 31 Order was issued*, as § 1071(b)(4) has always provided that the party seeking appellate review shall have jurisdiction only in the district court where the adverse party resides. As there is no dispute that Registrant's principal place of business (i.e., residence) is in Ashburn, Virginia, which is in the Eastern District of Virginia, *see* 28 U.S.C. § 127(a), a possible avenue for appeal lay in the Eastern District of Virginia both before and after the May 31 Order. The Board was certainly aware of this at the time it issued the May 31 Order, so the AIA does not render the Board's May 31 Order erroneous.

Moreover, the Board explained that it was abiding by the District Court's and D.C. Circuit's positions on laches because "this cancellation proceeding is essentially a relitigation of what transpired in the *Harjo* case before the Board." May 31 Order at 12 n.6. The Board considered the arguments in those opinions, recognizing that the precise issue facing the Board had been addressed by multiple federal courts, and adopted them—there is no indication (other than Petitioners' wishful thinking) that one possible location of appellate review supplied any motivation.

Petitioners' hubris is striking—they essentially posit that, when issuing the May 31 Order, the Board had already decided it was going to grant Petitioners' petition and reject Registrant's laches defense. The Board surely was aware that *any* success by Registrant would result in subsequent proceedings taking place in the Eastern District of Virginia, and nonetheless opted to adopt the law as articulated by the D.C. Circuit. Thus, Petitioners' contention that the May 31 Order was somehow dependent upon an assumption that subsequent proceedings would take place in the D.C. Circuit is both presumptuous and baseless.

# B. The Federal Circuit Still Has Not Ruled on Whether Laches Is a Valid Affirmative Defense to a Disparagement Claim

As an additional matter, and as the Board noted in the May 31 Order, "the Federal Circuit, our primary reviewing court, has not ruled on whether laches is a valid affirmative defense to a disparagement claim." *Id.* at 12 n.6. Petitioners do not argue that the Federal Circuit issued such a ruling after May 31, 2011—indeed, they do not cite *any* Federal Circuit authority on the availability of a laches defense to a disparagement claim. Thus, regardless of the passage of the AIA, there has not been any change in law on

whether a laches defense is available to claims of disparagement that would be binding upon this Court. This alone is sufficient to reject Petitioners' motion.

# C. <u>The District Court, D.C. Circuit, and Board Have Already Rejected Petitioners'</u> <u>Arguments</u>

The bulk of Petitioners' motion argues that the "public interests" at issue render a laches defense unavailable to Registrant. *See* Motion at 4-6. The arguments offered and cases cited by Petitioners should be familiar to the Board—the District Court, D.C. Circuit, and Board have already considered and rejected them, and properly so.<sup>2</sup>

As to the merits of Petitioners' arguments, Registrant will not belabor the point by re-arguing this issue; rather, Registrant respectfully directs the Board to the opinions of the District Court and D.C. Circuit, which explain why laches is available as a defense to a claim of disparagement. *See Pro-Football, Inc. v. Harjo*, 415 F.3d 44, 48 (D.C. Cir. 2005) ("the statute does not bar the equitable defense of laches in response to section 1064(3) cancellation petitions"); *Pro-Football, Inc. v. Harjo*, 57 USPQ2d 1140, 1145 (D.D.C. 2000) ("the Lanham Act does not unequivocally bar laches claims and defenses raised in regard to petitions brought under section 2(a)"); *see also Pro-Football, Inc. v. Harjo*, 68 USPQ2d 1225, 1256 (D.D.C. 2003) ("the laches defense applies"). Astonishingly, Petitioners ask the Board to disregard these decisions—the only decisions that have directly addressed whether a laches defense is available to a disparagement claim—and create a split in authority on this issue where none exists.

Notwithstanding the above, Registrant offers the following observations:

*First*, the District Court's and D.C. Circuit's opinions that laches was available in *Harjo* were based on the *text* of the Lanham Act, even though Petitioners raised the same arguments as they do here. *See Harjo*, 415 F.3d at 48 (finding laches available as a defense based on text of Lanham Act); *Harjo*, 57 USPQ2d at 1144-45 (same). Petitioners never address, let alone explain, how these courts erred.

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<sup>&</sup>lt;sup>2</sup> For example, in their April 11, 2011 comments to the Board, Petitioners cited *High Sierra Food Servs. v. Lake Tahoe Brewing Co. See* Pets. Comments at 2. In their briefs to the D.C. Circuit, Petitioners cited *Am. Velcro, Inc. v. Charles Mayer Studios, Inc.* and *Marshak v. Treadwell*, and in their petition for a writ of certiorari to the Supreme Court, Petitioners cited *Marshak* and *Ultra-White Co. v. Johnson Chem. Indus. Inc.* 

Second, the D.C. Circuit cited the precedent of the Federal Circuit—the Board's primary reviewing court—in support of its conclusion that a defense of laches is available here. See Harjo, 415 F.3d at 48 ("join[ing] the Federal Circuit" in concluding that laches was available, citing Bridgestone/Firestone Research, Inc. v. Auto. Club De L'Ouest De La France, 145 F.3d 1359, 1360-61 (Fed. Cir. 2001)). Petitioners do not distinguish this important authority from the Board's primary reviewing court.<sup>3</sup>

*Third*, none of the authorities cited by Petitioners address whether laches is available as a defense to a disparagement claim. It would be egregious for the Board to ignore the opinions of the only two federal courts to have addressed this very issue (particularly when the instant proceeding is a "relitigation," addressing the same claims involving the same registrations).

### IV. THE BOARD SHOULD DENY PETITIONERS' REQUEST FOR AN ADVISORY OPINION

As an entirely separate matter, Petitioners state that even if the Board "opts" to use the laches standards it set forth in the May 31 Order, it "should *also* declare its own interpretation of laches. That will enable a subsequent reviewing court to understand the agency's interpretation of the law it administers and have the opportunity to defer to the agency's interpretation." Motion at 3 (emphasis added). Petitioners' request that the Board issue an advisory opinion should be denied.

*First*, this request is a separate challenge to the May 31 Order—it has nothing to do with the passage of the AIA or possible venue of appeal. Thus, this request also violates the Board's orders against reargument of decided issues, is untimely by sixteen months, and should be denied for the reasons stated above.

**Second**, Petitioners made the same request in their April 11, 2011 comments to the Board, where they "suggest[ed] that the Board analyze the defense of laches both under its own *Harjo* standard and under the standard announced by the D.C. Circuit" because "[d]oing so will aid the parties in case there is a subsequent

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<sup>&</sup>lt;sup>3</sup> Petitioners mention in passing that *Bridgestone* accepted a laches defense because it "involved strictly private interests," but "did not dispute" that laches is not available "in cases involving a broad public interest." Motion at 6 n.2. The District Court already addressed this very argument and came to the *opposite* conclusion, finding that *Bridgestone* "holds that a laches defense is applicable in the context of a section 2(a) petition." *Harjo*, 68 USPQ2d at 1257. Registrant will not reproduce the entirety of the District Court's thorough analysis here; Registrant respectfully directs the Board to the section of the District Court's opinion rejecting Petitioners' argument. *See id.* at 1256-58.

action in federal court." Pets. Comments at 2. As Registrant explained in its response, the District Court addressed this argument. *See* Reg. Response at 4. Specifically, the District Court held:

In considering the issue during the administrative proceeding, the TTAB remarked that it was "a question of first impression," thereby clearly indicating its understanding that the solution required a novel application of law, not simply a finding of fact. In such circumstances, when a federal court assesses a trademark panel's legal conclusions, the court's review is *de novo*. Accordingly, in considering this legal question, the Court shall not engage in a traditional, deferential review of agency decision-making as described in *Chevron U.S.A. Inc. v. National Resources Defense Council, Inc.*, 467 U.S. 837 (1984).

*Harjo*, 57 USPQ2d at 1144 (citations omitted). The same holds true here. It would be pointless for the Board to analyze the laches defense under "its own *Harjo* standard" in addition to the standard articulated in the May 31 Order because, as the District Court recognized, any subsequent review of the Board's standard would be conducted *de novo* and not entitled to any deference, *Chevron* or otherwise.<sup>4</sup>

*Third*, if the Board were to analyze laches under the May 31 Order and then offer a second analysis under "its own *Harjo* standard," that second analysis would be nothing more than an advisory opinion. Petitioners do not cite to a single case where the Board has issued an advisory opinion at all, let alone alongside a "real" opinion. *See Marie Claire Album S.A. v. Kruger Gmbh & Co. Kg*, 29 USPQ2d 1792, 1793 n.4 (TTAB 1993) ("we do not issue advisory rulings").

#### V. PETITIONERS SHOULD BE SANCTIONED FOR VIOLATING THE BOARD'S ORDERS

Petitioners' motion is not only baseless on its own terms, but it also violates the Board's orders prohibiting re-argument of already-decided issues. Such brazen violations must have consequences.

### A. Petitioners' Acts Warrant Sanctions

*First*, as described above, the Board explicitly warned the parties that "once the Board issues an order that constitutes law of the case and/or preserves an issue for appeal, any further re-argument of the issue in a

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<sup>&</sup>lt;sup>4</sup> Petitioners state that "there is not currently an express statement in the *Blackhorse* record by the Board of its own interpretation of laches." Motion at 3. Petitioners ignore that the May 31 Order *is* the express statement by the Board regarding the legal standard of laches in this proceeding. In addition, many of the Board's statements of law cite to Federal Circuit and Board decisions but not the *Harjo* opinions, demonstrating that the standard of law adopted by the Board in the May 31 Order regarding Registrant's laches defense is its own interpretation of laches and not a blind adoption of the D.C. Circuit's standard. *See*, *e.g.*, May 31 Order at 13-18, ¶¶ B.4, B.8, B.11-B.15, B.18.

subsequent motion or brief will not be considered." May 5 Order at 4. Petitioners not only re-argue that laches is not available to Registrant, but also re-argue their request that the Board provide a second, advisory laches analysis. That the AIA somehow warrants revisiting of the May 31 Order cannot be taken seriously.

**Second**, Petitioners' challenge to the May 31 Order regarding the availability of laches is presented not only in the instant motion, but also incorporated by reference into their Trial Brief.<sup>5</sup> Thus, any sanctions should apply not only to the instant motion, but also to Petitioners' Trial Brief.

Third, and most significantly, Petitioners' motion was filed not only over eleven months after the AIA was enacted, but also on the *same day* as their Trial Brief. As a result, Registrant has been forced to prepare a response within the narrow 30-day window in which it is also opposing Petitioners' Trial Brief. The timing of Petitioners' motion for reconsideration is sufficiently suspect as to have been motivated by non-meritorious factors: (1) Petitioners seek to circumvent the page limits of their Trial Brief by providing additional legal argument through a separate motion; (2) Petitioners are engaging in gamesmanship to burden Registrant with the task of drafting and filing an additional brief to a frivolous motion at the same time it must oppose Petitioners' Trial Brief; and/or (3) Petitioners did not realize the existence of their "argument" until they were about to file their Trial Brief (notwithstanding that their renewed request for an advisory opinion has nothing to do with the AIA). Even giving Petitioners the benefit of the doubt that their delay in filing the instant motion was merely due to prolonged ignorance of the law, they should have filed their motion *immediately* upon learning of the AIA, so that the Board could consider their arguments in advance of

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<sup>&</sup>lt;sup>5</sup> Petitioners' *twice* incorporate this argument in their Trial Brief. *See* Petitioners' Trial Brief (Sept. 6, 2012) [Dkt. #177] at 5-6 (summarizing the District Court's and D.C. Circuit's findings on laches and arguing that "[h]ere, in contrast to *Harjo*, subsequent federal court proceedings in this matter (if any) will not occur in the D.C. federal courts. In September 2011, Congress enacted the Leahy-Smith America Invents Act, which changed the venue for subsequent federal court proceedings from the District to Columbia to the Eastern District of Virginia (as the alternative to an appeal to the Federal Circuit). *See* Pub. L. No. 112-29 § 9(a), 125 Stat. 284; 15 U.S.C. § 1071(b)(4) (2012). Thus, subsequent judicial proceedings, if any, will occur in either the Fourth Circuit or in the Federal Circuit, but not in the D.C. Circuit."); *id.* at 48 ("Separately, however, Petitioners have filed a motion to reconsider the laches standard due to the America Invents Act, which was enacted in September 2011, after the Board's Order. In their motion, Petitioners argue that the reason for following the D.C. Circuit standard no longer applies because, under the America Invents Act, no subsequent federal court proceedings in this matter will take place in the District of Columbia.").

briefing and Registrant would not be forced to oppose that motion while they prepare their Trial Brief. That Petitioners do not even try to explain their extraordinary delay only corroborates their likely bad faith.<sup>6</sup>

In short, this is not a run-of-the-mill motion for reconsideration. Rather, (1) it blatantly violates the Board's explicit orders under the guise of a "change in the law" that has no applicability here; (2) it was filed nearly a year after that "change in the law" was passed; (3) it was suspiciously filed on the same day as Petitioners' Trial Brief, demonstrating that Petitioners were aware of the passage of the AIA, but chose to not raise it until the last minute as an act of gamesmanship.<sup>7</sup>

#### B. Entry of Judgment in Registrant's Favor on Laches Is an Appropriate Sanction

The only remaining issue, then, is how the Board should handle Petitioners' blatant violations of the Board's orders. Mere denial of the instant motion is not sufficient—that would be the same result even if Petitioners' motion was timely, brought in good faith and well-founded. Registrant respectfully submits that the fairest sanction for Petitioners' violations of the Board's orders in these circumstances is an entry of judgment in Registrant's favor on its laches defense. Such an outcome is consistent with the precedent of the Board and would demonstrate that Petitioners' brazen conduct has consequences; it also would not prejudice Petitioners' counsel from filing a new petition with Native American petitioners in the future.

*First*, there is no question that the Board has the inherent authority to sanction Petitioners by entering judgment in Registrant's favor. Pursuant to TBMP § 527.03, "[f]lowing from the Board's inherent authority to manage the cases on its docket is the inherent authority to enter sanctions against a party." While sanctions in the form of an entry of judgment is admittedly severe, the Board has entered such sanctions when warranted by the circumstances. See, e.g., Carrini Inc. v. Carla Carini S.R.L., 57 USPQ2d 1067, 1069

<sup>7</sup> This is not an isolated example of Petitioners' failure to comply with required practices that resulted in prejudice to Registrant. For example, as will be explained in Registrant's Trial Brief, Petitioners were not instructed to preserve relevant documents until 2010 (four years after they filed the petition) and they did not take steps to preserve such documents until that time, prejudicing Registrant's investigation of Petitioners' standing and laches. See, e.g., Deposition of Amanda Blackhorse [Dkt. #122] at 168-76; Deposition of Marcus Briggs-Cloud [Dkt. #110] at 117-20, 128; Deposition of Phillip Gover [Dkt. #120] at 47-48; Deposition of Jillian Pappan [Dkt. #112] at 134-37; Deposition of Courtney Tsotigh [Dkt. #115] at 57-58.

<sup>&</sup>lt;sup>6</sup> To this end, Petitioners also could have sought an extension of the deadline to file their Trial Brief such that the Board would have sufficient time to consider and reject the instant motion.

(TTAB 2000) (sanctioning party by dismissing case because the party filed "unnecessary papers that the Board sought to prevent," finding that "[t]he plain language of the [previous order precluding additional filings] leaves no room for misinterpretation"); *Giant Food, Inc. v. Standard Terry Mills, Inc.*, 231 USPQ 626, 634 (TTAB 1986) (imposing sanctions in the form of an entry of judgment for, *inter alia*, "fil[ing] a frivolous request for reconsideration").

Here, such circumstances are warranted. Pursuant to the May 5 Order, the Board explicitly warned Petitioners that it has the discretion to "exercise its discretion and disregard the *entire* ... *brief* in which the re-argument is included." May 5 Order at 4 (emphasis added). The Board therefore has the discretion to deem Petitioners' Trial Brief to be "a nonconforming brief" and have its Trial Brief "be given no consideration." *Id.* That the Trial Brief also argues in the alternative under the standard set forth in the May 31 Order does not excuse that it also incorporates by reference the motion for reconsideration. In addition, Petitioners' filing of the instant motion on the same day as the filing of their Trial Brief (and without any explanation for the delay) strongly indicates that the filing date of the motion was opportunistic. Further, limiting the entry of judgment to Registrant's laches defense corresponds to the fact that Petitioners' sanctionable arguments in their motion and Trial Brief are on the subject of Registrant's laches defense.

Second, an entry of judgment in Registrant's favor on its laches defense would not preclude Petitioners' counsel from filing another petition for cancellation with new petitioners. As the May 31 Order has established, the determination of a future petitioner's susceptibility to a laches defense is entirely separate from the outcome of a prior petitioner's laches defense. See May 31 Order at 14, ¶ B.7. Further, as several Petitioners acknowledged in their depositions, Suzan Shown Harjo is already seeking to recruit new petitioners to file a future petition in case Registrant succeeds on its laches defense.<sup>8</sup>

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<sup>&</sup>lt;sup>8</sup> See, e.g., Deposition of Jillian Pappan, Ex. 14 [Dkt. #114] (Ms. Harjo sent e-mail to all Petitioners asking: "Do you know and can you recommend any Native person(s) who would like to be a plaintiff in the lawsuit who is now 17 and soon to turn 18? If so, please ask him or her or them to contact me by email."); *id.* Ex. 15 ("I'm making another request for your referrals for Native people who are 17 or who have just turned 18 ... who would be interested in being a part of a lawsuit like ours."); *id.* Ex. 17 ("We're stepping up the effort to find young Native people who soon will turn 18 or have just turned 18.").

**Third**, an entry of judgment in Registrant's favor on its laches defense would not be deemed a

decision on the merits of Petitioners' disparagement claims. Thus, it would effectively function as a dismissal

without prejudice, preserving Petitioners' counsel's ability to file a new petition while preserving all of

Petitioners' arguments on the merits of their disparagement claims for future petitions.

**CONCLUSION** 

It is a shame that Registrant has been forced to file this brief—Petitioners' motion represents the

exact sort of dispute the Board no doubt intended to avoid, and it has unfairly burdened Registrant with

having to address, concurrently with its preparation of its Trial Brief, frivolous arguments that have already

been considered and resolved many times over. Petitioners' flouting of the Board's authority should not be

countenanced.

For the above reasons, Petitioners' motion to reconsider the availability of and legal standard for

evaluating Registrant's affirmative defense of laches should be denied, and the Board should sanction

Petitioners by entering judgment in Registrant's favor on its laches defense.

DATED: September 26, 2012

Respectfully submitted,

/s/ Robert L. Raskopf

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## **CERTIFICATE OF SERVICE**

I, Todd Anten, hereby certify that on September 26, 2012, REGISTRANT'S RESPONSE TO PETITIONERS' MOTION TO RECONSIDER THE LEGAL STANDARD FOR LACHES, was served by e-mail and Federal Express upon the following counsel of record:

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Dated: September 26, 2012 /s/ Todd Anten