Anheuser-Busch, Incorporated

v.

Charles D. Bynum

Opposition No. 94,460

On Petition to the Commissioner
Filed: October 25, 1996

Charles D. Bynum ("Petitioner") has petitioned the Commissioner for relief from the interlocutory order dated September 25, 1996, of the Trademark Trial and Appeal Board ("Board"), issued in the above-identified proceeding. The petition is denied under Trademark Rule 2.146(a)(3), 37 C.F.R. §2.146(a)(3).

**FACTS**

On May 3, 1994, Anheuser-Busch ("Opposer") filed a Notice of Opposition. [1] On May 19, 1995, Petitioner filed a motion for a protective order. Opposer filed a cross-motion for a protective order, on June 6, 1995. After Opposer's filings of motions to extend the close of discovery and reset trial dates, the Board issued an interlocutory decision on September 25, 1996. The September 25, 1996 order granted the parties until October 7, 1996 to work out a 5stipulated protective order, extended the close of discovery, and reset the trial dates.

In response to the Board order of September 25, 1996, this petition was filed on October 25, 1996. A "Motion with Consent for Suspension of Proceedings Or In the Alternative For Extension of Discovery Period and Trial Dates" was filed by Opposer on November 12, 1996.

On November 14, 1996, Opposer filed a response to Petitioner's petition to the Commissioner. [2] On November 20, 1996, the Board suspended the opposition proceedings pending disposition of the petition to the Commissioner from the Board's order of September 25, 1996.

**ANALYSIS**

Petitioner requests that the Commissioner vacate the Board's September 25, 1996 order. More

specifically, Petitioner would like the Commissioner to remand the opposition to the Board with instructions that, subject to a protective order, the discovering party shall have access to all information and material produced. Petitioner objects to the Board's order that the parties stipulate to a single-tiered protective order and argues that the Board has improperly shifted the burden of proof under FRCP 26 to Petitioner.

*Board 's September 25, 1996 Order*

In its September 25, 1996 order, the Board determined that Petitioner had made no showing why he, as opposed to his counsel, should have access to Opposer's confidential information. The Board noted that, pursuant to common practice, such information would not normally be disclosed to Petitioner. The Board ordered the parties to work out a single-level stipulated protective order as follows:

> First, the protective order is to contain one level of confidentiality to which only the parties' attorneys and non-parties, including experts and consultants, are to have access. Second, the parties are to decide whether or not they wish to include a provision for the disclosure of confidential information to former employees of a producing party, to "third-party witnesses, or to similar persons. If the parties cannot agree, they are to include a provision allowing the proposal of such a disclosure and the opportunity to object to that proposed disclosure. Actual disclosure is to be prohibited absent agreement between the parties. As in all discovery disputes, recourse to the Board is to be had only after the parties make a good faith effort to resolve a dispute over a proposed disclosure. Third, the protective order is not to contain any provisions which require the prior disclosure of experts and consultants or the related need to obtain consent in contravention of FRCP 26. Lastly, the remaining provisions of the protective order are to otherwise comply with the guidelines set forth in [Trademark Trial and Appeal Board Manual of Procedure] §416 in general, and §416.06 (Contents of Protective Order) in particular. The parties' respective motions for a protective orders *[sic]* are therefore denied to the extent they do not conform to the ruling and guidelines set forth or referenced herein. [Footnotes omitted.]

*Discussion*

Petitioner argues that the Board's decision has unfairly shifted the burden of proof from Opposer to Petitioner. Petitioner also suggests that the breadth of the Board's September 25, 1996 order is "unsupported by precedent" and submits that the Board's analysis is inadequate and that the result lacks justice and reason. [3]

Pursuant to 35 U.S.C. §6 and 37 C.F.R. §2.146(a)(3), the Commissioner may invoke supervisory authority in appropriate circumstances. However, the Commissioner will vacate an action of the Trademark Trial and Appeal Board only where the Board has committed a clear error or abuse of discretion. *In re Societe Des Produits Nestle S.A.,* 17 USPQ2d 1093 (Comm'r Pats. 1990); *Riko* Enterprises, Inc. v. Lindsley, 198 USPQ 480 (Comm'r Pats. 1977).

In inter partes proceedings before the Board, motions for a protective order are governed by 37 C.F.R. §2.120(f). TBMP section 526. Rule 2.120(f) reads, in pertinent part, as follows:

> *Motion for a protective order.* Upon motion by a party from whom discovery is sought, ***and for good cause,*** the Trademark Trial and Appeal Board may make any order which justice requires to protect a party from annoyance, embarrassment, oppression, or undue burden or expense .... If the motion for a protective order is denied in whole or in part, the Board may, on such conditions (other than an award of expenses to the party prevailing on the motion) as are just, order that any party provide or permit discovery. [Emphasis added.]

In its September 25, 1996 order, the Board carefully reviewed both Petitioner's and Opposer's arguments in favor of their respective proposed protective orders. In Petitioner's case, the Board found that Petitioner had not shown "good cause" as required under Rule 2.120(f). First, the Board found that it was precisely Petitioner's "unique position" as a small businessman which should preclude his access, as an individual, to Opposer's confidential information. Second, the Board noted that Petitioner was represented by competent counsel. Third, the Board found that Petitioner's desire to lessen litigation costs did not outweigh Opposer's right to keep certain of its business information confidential. Finally, the Board emphasized that Petitioner's request was for general access to Opposer's confidential information, and was not addressed to any specific item of information.

In its May 19, 1995 motion for the protective order, Petitioner had the burden of demonstrating why its unconsented-to protective order should be imposed on Opposer. Although much of the analysis in the Board's September 25, 1996 order is couched in terms of rejecting Petitioner's arguments and accepting Opposer's arguments, the order accepted **neither** party's proposed protective order. Instead, the Board ordered the two parties to work out a stipulated protective order.

**DECISION**

The Commissioner can find no clear error or abuse of discretion in the Board's Order of September 25, 1996. There appears no clear error or abuse of discretion with respect to the application of FRCP 26(B)(4)(b), nor does there appear to be any misinterpretation of either Petitioner's or Opposer's proposed protective orders or their respective arguments. Therefore, the petition is denied. The opposition file will be forwarded to the Board for resumption of the opposition proceeding.

Philip G. Hampton, II
Assistant Commissioner
for Trademarks

PGH:EKM

Date:

Attorney for Applicant/Petitioner:

Marc M. Gorelnik, Esq.
Townsend and Townsend and Crew LLP
Two Embarcadero Center, 8th Floor
San Francisco, California 94115

Attorney for Opposer:

Mary E. Innis, Esq.
Pattishall, McAuliffe, Newbury,
Hilliard & Geraldson
311 S. Wacker Drive
Suite 5000
Chicago, Illinois 60606

[1] Review of the Opposition proceedings has been limited to those filings relevant to disposition of this petition.

[2] Trademark Rule 2.146(e)(2) requires that "any brief in response to the petition shall be filed, with any supporting exhibits, within fifteen days from the date of service of the petition." Pursuant to Trademark Rule 2.119(a), a copy of the petition was mailed on October 25, 1996. Since Opposer's response was not filed until November 14,1996, more than 15 days from the date of service of the petition, it has not been considered for purposes of this decision.

[3] To be clear, both Petitioner and Opposer agree that a protective order is necessary. However, they disagree about the terms of the protective order. The Board's September 25, 1996 order essentially reviewed the arguments made by each party in favor of acceptance of its proposed protective order.