

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

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Mailed: September 25, 2008

Opposition No. 91160944

Red Bull GMBH

v.

Tequila Cuervo La Rojena,
S.A. De C.V.

**Before Holtzman, Cataldo, and Ritchie de Larena,
Administrative Trademark Judges.**

By the Board:

This case now comes up for consideration of opposer's motion (filed February 4, 2008) to dismiss or strike applicant's counterclaims. In the alternative, opposer requests that applicant revise its counterclaims so that they are short and concise, as required by Fed. R. Civ. P. 8, and that they be limited to the relevant issues and classes of goods involved in this opposition proceeding. The motion is fully briefed.

As background, applicant seeks to register the mark MATADOR in standard character format for "non alcoholic cocktail mixes for mixing with alcoholic beverages" in

International Class 32 and "prepared alcoholic cocktails; tequila, tequila liqueurs" in International Class 33.¹

On June 18, 2004, opposer filed a notice of opposition to registration of applicant's MATADOR mark. As grounds for the opposition, opposer alleges that applicant's mark, when used on the identified goods, so resembles the following previously used and registered marks pleaded by opposer:

(1) RED BULL (stylized) for "malt liquor" in International Class 32;² (2) BULL in standard character format for "non-alcoholic beverages, namely, soft drinks; and energy and sports drinks" in International Class 32;³ (3) RED BULL in standard character format for "malt liquor" in International Class 32;⁴ and (4) RED BULL in standard character format for various goods and services in International Classes 3, 12, 14, 15, 16, 18, 20, 25, 28, 30, 34, 35, 39, and 42,⁵ as to be likely to cause confusion, mistake or to deceive.

Applicant, in its answer, has denied the salient allegations of the notice of opposition. Additionally, applicant has asserted counterclaims seeking to cancel each

¹Application Serial No. 78152459, filed on August 8, 2002, based on an allegation of a bona fide intent to use the mark in commerce under Trademark Act Section 1(b), 15 U.S.C. Section 1051(b).

²Registration No. 1541794, issued May 30, 1989. Section 8 and 15 affidavits accepted and acknowledged on February 17, 1995.

³Registration No. 2579008, issued June 11, 2002.

⁴Registration No. 1935272, issued November 14, 1995. Section 8 and 9 affidavits accepted and granted on January 11, 2006.

⁵Registration No. 2494093, issued November 14, 1995. partial Section 8 affidavit accepted on September 23, 2008.

of opposer's pleaded registrations on the ground of abandonment.

In lieu of filing an answer to applicant's counterclaims, opposer filed the motion considered herein.

As a preliminary matter, it has come to the Board's attention that opposer, in regard to its pleaded Registration No. 2494093, filed a partial Section 8 affidavit on April 1, 2008⁶ wherein opposer deleted Classes 3, 15, 30, 39 and 42 from the registration as originally issued. By doing so, opposer has, in effect, allowed the aforementioned five classes to be cancelled under Section 8 of the Trademark Act. Moreover, the Board notes that opposer, via its partial Section 8 affidavit, has also amended its Registration No. 2494093 by deleting the following language from each of the international classes of goods and services noted below:

International Class 12

"and air; parts and accessories for bicycles, namely, luggage carriers, bells and air pumps"

International Class 14

"tie clips, cuff links, flasks; jewelry, including costume jewelry; cuff links and tie pins"

⁶As noted in footnote 5 of this order, the USPTO's Post Registration Branch accepted opposer's partial Section 8 affidavit on September 23, 2008.

International Class 16

"paper goods, namely, table napkins"

International Class 20

"goods made of plastics, namely, money clips"

International Class 25

"bandannas, neckerchiefs, coats, sleepwear; resort wear, namely, shorts, shirts, T-shirts and pants; suspenders"

International Class 28

"games and playthings, namely, toy action figures; baseball equipment, namely, basketballs and backboards; skis, ski poles, bags for skis, ski parts, and snowboards; non motorized golf carts, and baseball; hockey sticks and pucks; roll-skates; ornaments for Christmas trees"

International Class 34

"tobacco; tobacco tins, cigar and cigarette holders, cigar and cigarette cases, all not of precious metal; pipe stands; smoking pipe cleaners; cigar cutters; smoking pipes; not of precious metal; pocket machines for rolling cigarettes; cigarette paper and filters; and matches"

International Class 35

"promoting the goods and services in the fragrance, toiletries, tobacco, automobile"

International Class 41⁷

"baseball and"

⁷The Board notes that opposer's partial Section 8 affidavit maintains the identification of goods in International Classes 18, 26, and 32 as originally recited when Registration No. 1935272 was issued.

Inasmuch as opposer's pleaded Registration No. 2494093 is subject to applicant's counterclaim and since opposer filed its partial Section 8 affidavit after applicant filed its counterclaim against said registration in this proceeding, opposer's deletion of Classes 3, 15, 30, 39 and 42 from its pleaded Registration No. 2494093 constitutes a cancellation of such classes without the written consent of applicant.

In view thereof, opposer is allowed until twenty days from the mailing date of this order to show cause why such cancellation should not be deemed to be the equivalent of a cancellation by request of opposer without the consent of the adverse party, and should not result in entry of judgment against opposer with respect to those deleted classes as provided by Trademark Rule 2.134(a). In the absence of a showing of good and sufficient cause, judgment may be entered against opposer with respect to the deleted classes. See Trademark Rule 2.134(b).

If, in response to this order, opposer submits a showing that its failure to file a Section 8 affidavit with regard to the goods and services in Classes 3, 15, 30, 39 and 42 was the result of inadvertence or mistake or that the deletion of those classes was based upon a valid business decision and not to avoid applicant's counterclaim, judgment will not be entered against it.

In that case, applicant will be given time in which to elect whether it wishes to go forward with its counterclaim in relation to the deleted classes, or to have the counterclaim dismissed without prejudice as moot as to those classes. See *C. H. Guenther & Son Inc. v. Whitewing Ranch Co.*, 8 USPQ2d 1450 (TTAB 1988) and TBMP § 602.02(b).

Moreover, the Board finds that the deletion of some of the goods and services in the international classes that continue to remain subject to opposer's pleaded Registration No. 2494093 constitutes an amendment of opposer's pleaded registration without the written consent of applicant. Accordingly, the propriety of these amendments will be deferred until final decision and decided in connection with the determination of applicant's counterclaims. See Trademark Rule 2.133 and TBMP § 514.03 (2d ed. rev. 2004).

We now turn to opposer's motion to dismiss and its alternative request to have applicant revise its counterclaims so that they comply with Fed. R. Civ. P. 8. First, opposer contends that applicant has failed to properly plead a claim of abandonment. Specifically, opposer argues that, while applicant has alleged that opposer has abandoned use of its pleaded marks, applicant does not affirmatively allege that opposer does not intend to resume use of its pleaded marks.

Second, opposer argues that applicant has no standing to assert its claim of abandonment with respect to those goods and services which are not subject to opposer's claim of likelihood of confusion. Specifically, opposer notes that its notice of opposition alleges facts relating to International Class 32 goods and certain other beverages and drinks and although opposer has pleaded ownership of four registrations, all of which recite Class 32 goods, opposer's pleaded Registration No. 2494093 includes numerous goods and services that have no bearing on opposer's likelihood of confusion claim. Accordingly, opposer contends that applicant has no standing to assert a claim against the non-Class 32 goods and, therefore, applicant's counterclaim should be limited to a partial cancellation under Section 18 of the Trademark Act.

Finally, opposer seeks, as an alternative request, that the Board require applicant to revise its counterclaims so that they comport with Fed. R. Civ. P. 8 so that the allegations set forth in the counterclaims are short and plain statements of the grounds for relief. Opposer notes that applicant's counterclaims contain 385 separate paragraphs which allege abandonment for each and every good and service recited in each of opposer's four pleaded registrations. As such, opposer contends that applicant's counterclaims are merely a lengthy and very thinly disguised series of requests for admissions. Moreover, opposer argues

that the allegations set forth in applicant's counterclaims are redundant and unnecessary.

In response, applicant argues that its counterclaims do consist of short and plain statements concerning its claim of abandonment and, therefore, comply with Fed. R. Civ. P. 8. Indeed, applicant contends that, although the claims are numerous, the reason is because the goods and services covered by opposer's pleaded registrations are numerous, and because the number of goods and services with which applicant believes opposer has not made use of its marks in commerce are also numerous.

Moreover, applicant asserts that its claims of abandonment are not fatally defective inasmuch as applicant has employed the term "abandonment" as it is defined in 15 U.S.C. § 1127 and therefore each use of this term by definition incorporates an intention not resume use.

Finally, applicant contends that opposer has no basis for arguing that applicant has no standing to challenge the very registrations which were pleaded by opposer, without limitation, in the notice of opposition and that opposer's argument to the contrary is non-sensical.

To withstand a motion to dismiss pursuant to Fed. R. Civ. P. 12(b)(6) for failure to state a claim upon which relief can be granted, a pleading need only allege such facts, which if proved, would establish that the plaintiff is entitled to the relief sought, that is, that (1) the

plaintiff has standing to maintain the proceeding and (2) a valid ground exists for denying the registration sought. See *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982); and *Kelly Services Inc. v. Greene's Temporaries Inc.*, 25 USPQ2d 1460 (TTAB 1992). For purposes of determining a motion to dismiss for failure to state a claim upon which relief can be granted, all of plaintiff's well-pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to plaintiff. See *Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d1038 (Fed. Cir. 1993); see also 5A Wright & Miller, *Federal Practice And Procedure: Civil 2d* § 1357 (1990).

Dismissal for insufficiency is appropriate only if it appears certain that the applicant is entitled to no relief under any set of facts that could be proved in support of its claim. See *Stanspec Co. v. American Chain & Cable Company, Inc.*, 531 F.2d 563, 189 USPQ 420 (CCPA 1976).

With regard to the issue of standing, the Board notes that a counterclaimant's standing to cancel a pleaded registration is inherent in its position as defendant in the original proceeding. See *Ohio State University v. Ohio University*, 51 USPQ2d 1289, 1293 (TTAB 1999); *Ceccato v. Manifattura Lane Gaetano Marzotto & Figli S.p.A.*, 32 USPQ2d 1192, 1195 n.7 (TTAB 1994); *General Mills, Inc. v. Natures Way Products*, 202 USPQ 840, 841 (TTAB 1979)

(counterclaimant's position as defendant in the opposition gives him a personal stake in the controversy). *See also* TBMP § 313.03 (Form of Counterclaim). Moreover, a counterclaimant is not limited to merely the claims alleged in the case in chief. By pleading ownership of its four registrations, opposer has placed at issue the validity of those registrations in their entirety without any limitation as to the scope of the pleaded registrations.

Accordingly, to the extent opposer's motion seeks to dismiss applicant's counterclaims on the ground that applicant lacks standing to assert its counterclaims, the motion is **denied**.

Turning now to the sufficiency of applicant's pleading of abandonment, the Board notes that, in order to set forth a cause of action to cancel the registration of a mark which assertedly has been abandoned, plaintiff must allege ultimate facts pertaining to the alleged abandonment. *See Clubman's Club Corporation v. Martin*, 188 USPQ 455, 456 (TTAB 1975). The facts alleged must set forth a *prima facie* case of abandonment by a pleading of at least three consecutive years of non-use **or** must set forth facts that show a period of non-use less than three years coupled with an intent not to resume use. *See* Section 45 of the Trademark Act; *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 14 USPQ2d 1390 (Fed. Cir. 1990); *Otto International, Inc. v. Otto Kern GMBH*,

83 USPQ2d 1861, 1862 (TTAB 2007) (emphasis added). By so alleging, a plaintiff provides fair notice to the defendant of plaintiff's theory of abandonment.

After a careful review of applicant's counterclaims for abandonment, the Board finds that applicant has properly asserted a claim of abandonment. With respect to each of the pleaded registrations, applicant has alleged that opposer has not used the mark for each pleaded registration for each good and service recited therein for at least the past three years. As such, applicant has properly pleaded abandonment with respect to each of opposer's pleaded registrations.

Accordingly, to the extent opposer's motion seeks to dismiss applicant's counterclaim for failure to state a claim of abandonment, the motion is **denied**.

Turning next to opposer's alternative request that the Board require applicant to revise its counterclaims so that they comport with Fed. R. Civ. P. 8, the Board finds justification for opposer's request. By setting forth separate allegations of abandonment of opposer's pleaded marks for each and every good and service recited in the pleaded registrations, applicant has drafted a burdensome and redundant pleading that does not comply with the spirit of either Fed. R. Civ. P. 8 or 12.

Accordingly, opposer's alternative request is **granted** to the extent that applicant is allowed **twenty days** from the

mailing date of this order in which to file and serve an amended counterclaim which sets forth its claim of abandonment in a short and concise statements, failing which applicant's counterclaim will be stricken. In other words, applicant should not set forth separate allegations of abandonment for each and every good and/or service recited in each of opposer's four pleaded registrations. Rather, applicant may simply state, for each pleaded registration, that opposer has abandoned use of the particular mark for at least three consecutive years in association with all the goods and/or services recited in each registration.

With respect to opposer's pleaded Registration No. 2494093, if applicant ascertains that it wishes to pursue a claim of abandonment as to some but not all of the goods and/or services identified therein, then applicant may simply allege three consecutive years of non-use, if appropriate, in relation to those limited goods and/or services by identifying those goods and/or services in a single allegation. Applicant, in revising its counterclaim as ordered herein, should take into consideration the fact that opposer has deleted certain classes of goods and services in its pleaded Registration No. 2494093, as well as the amendments to the identification of the remaining goods and services recited therein.

To summarize, opposer is allowed twenty days from the mailing date of this order in which to show cause why the deletion of International Classes 3, 15, 30, 39 and 42 from opposer's pleaded Registration No. 2494093 should not be deemed to be the equivalent of a cancellation by request of opposer without the consent of the adverse party, and should not result in entry of judgment against opposer with respect to those deleted classes as provided by Trademark Rule 2.134(a). Applicant is allowed twenty days from the mailing date of this order in which to file and serve an amended counterclaim in accordance with the Board's ruling set forth above. Opposer, in turn, is allowed twenty days from the date of service of applicant's amended counterclaim in which to file and serve its answer to the amended counterclaim.

Proceedings herein are resumed. Discovery and trial dates are reset as follows:

THE PERIOD FOR DISCOVERY TO CLOSE: **12/29/2008**

Testimony period for plaintiff in the opposition to close: (opening thirty days prior thereto) **3/29/2009**

Testimony period for defendant in the opposition and as plaintiff in the counterclaim to close: (opening thirty days prior thereto) **5/28/2009**

Testimony period for defendant in the counterclaim and its rebuttal testimony as plaintiff in the opposition to close: (opening thirty days prior thereto) **7/27/2009**

Rebuttal testimony period for plaintiff in the counterclaim to close: **9/10/2009**
(opening fifteen days prior thereto)

Briefs shall be due as follows:
[See Trademark rule 2.128(a)(2)].

Brief for plaintiff in the opposition shall be due: **11/9/2009**

Brief for defendant in the opposition and as plaintiff in the counterclaim shall be due: **12/9/2009**

Brief for defendant in the counterclaim and its reply brief (if any) as plaintiff in the opposition shall be due: **1/8/2010**

Reply brief (if any) for plaintiff in the counterclaim shall be due: **1/23/2010**

As a final matter, the Board notes that this proceeding was instituted more than four years ago on June 19, 2004 and that applicant filed its counterclaim more than two and half years ago on November 28, 2005. By order dated January 14, 2008, the Board stated that no further requests for extension of time or suspension, whether consented to or not, will be entertained by the Board. The Board's January 14, 2008 order, as it pertains to requests for extensions or to suspend, remains in effect. The parties must either settle this case immediately or proceed to trial.

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>