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

Proceeding	91173189
Party	Plaintiff MONSTERCOMMERCE, LLC MONSTERCOMMERCE, LLC 10715 Norton Lane , IL 62286
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the matter of Application Serial No. 78/612,360
Published in the *Official Gazette* on May 30, 2006

TEMPLATEMONSTER

MONSTERCOMMERCE, LLC,	)	
	)	
Opposer,	)	
	)	
v.	)	Opposition No. 91173189
	)	
IGOR LOGNIKO,	)	
	)	
Applicant.	)	
	)	

REPLY BRIEF IN SUPPORT OF OPPOSER'S MOTION
FOR PARTIAL JUDGMENT ON THE PLEADINGS

Opposer, MonsterCommerce LLC ("MonsterCommerce" or "Opposer"), submits the foregoing reply brief in support of its motion for partial judgment on the pleadings seeking to dismiss the affirmative defenses of laches, equitable estoppel and legal estoppel asserted by Applicant Igor Logniko ("Applicant").

ARGUMENT

Opposer moved to dismiss Applicant's affirmative defenses of laches, equitable estoppel and legal estoppel because there is no legal basis for Applicant to assert any of these defenses in this Opposition proceeding. In response to Opposer's motion, Applicant has not argued the legal basis for any of these defenses, nor has Applicant cited a single case that would support the application of the defenses in this proceeding. Instead, Applicant contends that Opposer's motion is untimely and that Opposer's arguments would render 15 U.S.C. § 1069 a nullity.

Applicant's arguments are without merit and only serve to demonstrate why the insufficient defenses should be dismissed at this juncture.

First, Opposer's motion is not time barred. Applicant contends that Oppposer's motion should have been styled a motion to strike and that Opposer was required to serve such a motion within twenty days of Applicant's Answer. (Applicant's Brief ("App. Br.") at 1.) Even assuming, arguendo, that Opposer's motion was considered a motion to strike, under Trademark Trial and Appeal Board ("TTAB") practice, the Board will entertain a motion to strike more than twenty days after service of the Answer. TMEP § 506.02. In a case such as this, where Applicant's affirmative defenses cannot be raised as a matter of law and will only serve to waste the resources of the parties and the Board, Opposer's motion should be considered by the Board at this time.

Second, Opposer's motion argues, based on the Federal Circuit's seminal decision in National Cable, that Applicant cannot raise the defenses of laches and equitable estoppel in this proceeding because Opposer timely opposed the Application. In National Cable, the Federal Circuit recognized the conflict between preexisting TTAB decisions, some of which held that the defense of laches did not beginning running until a mark was published for opposition and others which held that laches begins running when the challenger first learns of the applicant's use of its mark. National Cable Television Assn., Inc. v. American Cinema Editors, Inc., 937 F.2d 1572, 19 U.S.P.Q.2d 1424, 1431 (Fed. Cir. 1991). The Federal Circuit expressly rejected the cases finding that laches began running under a standard based on knowledge of the applicant's use. Id. The court reasoned "laches begins to run from the time action could be taken against the acquisition by another of a set of rights to which objection is later made." National Cable, 19 U.S.P.Q.2d at1432. In an opposition proceeding, the right being objected to is the right to

register a mark and the first time that action can be taken against registration is at publication. Id. Thus, the Federal Circuit held that laches does not start running until the date the application is published for opposition, and overruled earlier cases holding the contrary. Id. The following year, the Federal Circuit extended its holding to the defense of equitable estoppel, and held that the defenses of laches and equitable estoppel do not start running until the date the application is published for opposition. Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes, Inc., 971 F.2d 732, 734 (Fed. Cir. 1992). Together, these decisions establish that laches and equitable estoppel are generally not applicable in opposition proceedings because in most cases, the opposer will not have inexcusably delayed in asserting its rights against the registration of the mark.[1] See Saint-Gobain Abrasives, Inc. v. Unova Industrial Automation Systems, Inc., 66 U.S.P.Q.2d 1355, 1360 (TTAB 2003) (noting that "laches generally is not applicable in an opposition proceeding"); Callaway Vineyard & Winery v. Endsley Capital Group, Inc., 63 U.S.P.Q.2d 1919, 1923 (TTAB 2002).

In this case, it is undisputed that Opposer timely opposed the Application and, therefore, Opposer did not inexcusably delay in asserting its rights against the registration of the TEMPLATEMONSTER mark. Accordingly, Applicant is barred from raising the affirmative defenses of laches and equitable estoppel. Critically, Applicant does not dispute a single case cited by Opposer for the proposition that the defenses of laches and equitable estoppel are barred in this proceeding, nor does Applicant dispute, as a factual matter, that Opposer timely opposed

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1 Laches and equitable estoppel are available in one type of opposition proceeding -- where there is an expired registration for the same or substantially similar mark and goods, the claim is likelihood of confusion, and opposer failed to object to applicant's earlier registration that expired. Saint-Gobain, 66 U.S.P.Q.2d at 1360. That is not the situation in this case because it is undisputed that Applicant has never owned a federal registration for the mark at issue, TEMPLATEMONSTER.

the Application. Instead, Applicant suggests that the Federal Circuit's decisions on this issue should be ignored because they render a statutory provision, 15 U.S.C. § 1069, a nullity. (App. Br. at 2.) As purported support for this untenable proposition, Applicant cites two TTAB decisions that were expressly overturned by National Cable. Applicant's argument is baseless.

The statutory provision in question states that in all inter parties proceedings the equitable principles of laches and estoppel *where applicable may be considered and applied.* 15 U.S.C. § 1069 (emphasis added). The provision is permissive, not mandatory. It does not state that laches and estoppel are always available or that they must be considered and applied. It states that consideration and application of the equitable defenses is permitted where appropriate. The general rule that laches and estoppel are not available in an opposition proceeding does not nullify the statute. It is entirely consistent with its permissive language. Moreover, the two TTAB decisions cited by Applicant cannot support his argument because the cases predate the Federal Circuit's pronouncement in National Cable by decades and were clearly overturned by it. (See App. Br. at 2.)

Finally, Applicant asserts that its defense of legal estoppel should not be dismissed because Opposer has not presented any case law supporting its motion. (App. Br. at 3.) To the contrary, the defense should be dismissed because, as explained in Opposer's moving brief, this obscure patent law doctrine does not exist in TTAB proceedings, is not recognized by the Board, and could not apply here because the doctrine only implies a license to *use* intellectual property, not to *register* it. (Opposer's brief at 4-5.) Notably, Applicant has not attempted to explain how this inapposite defense would apply to an opposition proceeding nor has Applicant cited a single authority to support its argument that the defense has any merit at all. Patently insufficient defenses in opposition proceedings, such as Applicant's laches, equitable estoppel and legal

estoppel defenses, should be dismissed to prevent needless litigation and the waste of the parties' and the Board's resources on irrelevant issues. Accordingly, these defenses should be dismissed.

CONCLUSION

For all the foregoing reasons, Opposer respectfully requests that the Board grant its motion for partial judgment on the pleadings and dismiss Applicant's affirmative defenses of laches, equitable estoppel, and legal estoppel. Additionally, Opposer requests that the Board suspend the proceedings pending the disposition of Opposer's Motion for Partial Judgment on the Pleadings.[2]

Respectfully submitted,

Date: February 8, 2007

By: _____

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[2] Opposer's moving brief requested suspension pending disposition of its Motion to Amend. Opposer intended to request suspension pending the disposition of the instant motion.

CERTIFICATE OF SERVICE

I, Hara K. Jacobs, hereby certify that on today's date, I caused a copy of the foregoing Opposer's Reply Brief in Support of its Motion for Partial Judgment on the Pleadings to be served by United States First Class mail, postage prepaid, on counsel for Applicant as set forth below:

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Dated: February 8, 2007

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