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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
Correspondence Address	Brian J. Winterfeldt Ballard Spahr Andrews & Ingersoll, LLP 601 13th Street, N.W. Washington, DC 20005-3807 UNITED STATES
Submission	Reply in Support of Motion
Filer's Name	Hara K. Jacobs
Filer's e-mail	jacobsh@ballardspahr.com, larsont@ballardspahr.com
Signature	/Hara K. Jacobs/
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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, and NETWORK SOLUTIONS, LLC (joined as a party plaintiff), Opposers, v. IGOR LOGNIKOV, Applicant.	Opposition No. 91173189

OPPOSER'S REPLY IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT

Opposers, MonsterCommerce, LLC and Network Solutions, LLC (collectively, "Opposer" or "MonsterCommerce"), submit the following reply brief in support of their Motion for Summary Judgment.

MonsterCommerce moved for summary judgment on the grounds that Applicant is not the owner of the TEMPLATEMONSTER mark and that Applicant committed fraud on the U.S. Patent and Trademark Office when he claimed to be the owner of the mark because Applicant has not himself, nor through a related company or licensee, used the TEMPLATEMONSTER mark in commerce. MonsterCommerce based its summary judgment motion on admissions made by Applicant in the Corbis Action in which Applicant claimed he has no control over the www.templatemonster.com website, or the TEMPLATEMONSTER.COM domain name, and that he has no business relationship with the

entities that do control the website and domain name. Simply put, Applicant has no use of the TEMPLATEMONSTER mark on which to base a claim of ownership.

Applicant, desperate to avoid the entry of summary judgment, now contends that although he has no control over the business of the registrant of the TEMPLATEMONSTER.COM domain name, Mr. Dmitri Zolotalev, he is nonetheless the owner of the TEMPLATEMONSTER mark because he licenses the mark to Mr. Zolotalev. Applicant's sudden, convenient and unsupported claim of a trademark license to Mr. Zolotalev cannot raise a genuine issue of material fact because, as a matter of law, Applicant cannot rely on a naked license to establish use of the TEMPLATEMONSTER mark. Moreover, Applicant's inherently incredible declaration is barred by the doctrine of judicial estoppel because Applicant's claim that he licenses the TEMPLATEMONSTER mark to the registrant of the TEMPLATEMONSTER.COM domain name clearly contradicts Applicant's statements made to the federal district court in the Corbis Action that he has no business relationship with the domain name registrant.

I. ARGUMENT

To survive a motion for summary judgment, Applicant's response must – by affidavits or as otherwise provided in Rule 56 – set out specific facts showing a genuine issue for trial. Fed. R. Civ. Pro. 56(e)(2). In countering a motion for summary judgment, more is required than mere assertions of counsel. Pure Gold Inc. v. Syntex (U.S.A.), Inc., 739 F.2d 624, 626-27 (Fed. Cir. 1984) (affirming the grant of summary judgment where the non-movant's mere conclusory assertions that its mark was famous did not raise a genuine issue of fact). Moreover, "a non-movant runs the risk of a grant of summary judgment by failing to disclose the evidentiary basis for its claim." Id. "Summary judgment cannot be sidestepped by pointing to evidence that is merely colorable or suggestive, or evidence that lacks substance, or evidence that

is inherently incredible." International Assoc. of Machinists and Aerospace Workers v. Winship Green Nursing Center, 103 F.3d 196, 206 (1st Cir. 1996) (internal citations omitted). Applicant's fundamentally inconsistent declaration that he uses the mark through a licensee, but has no control over the licensee, cannot raise a genuine issue of material fact that Applicant is the owner of the TEMPLATEMONSTER mark.

A. Applicant's Declaration Conclusively Establishes that He Does Not License the TEMPLATEMONSTER Mark to Mr. Zolotarev

Applicant's argument and supporting declaration establish as a matter of law that no license exists between Applicant and Mr. Zolotalev, the registrant of the TEMPLATEMONSTER.COM domain name. Ownership rights in a trademark or service mark may be acquired and maintained through the use of the mark by a *controlled* licensee. TMEP § 1201.03(f) (emphasis added). "In all franchise and license situations, the key to ownership is the nature and extent of the control by the applicant of the goods or services to which the mark is applied." Id. It is well established that a licensor may license his mark only if the license provides for adequate control by the licensor over the quality of services offered under the mark by a licensee. Haymaker Sports, Inc. v. Turian, 581 F.2d 257, 261 (CCPA 1978). Indeed, a so-called "license," the terms of which do not provide for adequate control by Applicant of the quality of the goods or services offered under such mark, is a "naked license." Id. A licensor cannot use a "naked license" as a basis for claiming ownership of a mark. See TMEP § 1202.03.

Applicant's sole evidence of his alleged license to Mr. Zolotalev is one sentence contained in paragraph 5 of Applicant's declaration, which states that Applicant has granted Mr. Zolotalev a license to use the TEMPLATEMONSTER mark. In the same breath, however, Applicant unequivocally states that he has no control over the business operations of Mr. Zolotarev:

> Though I have no control over Mr. Zolotarev's business operations, I have granted Mr. Zolotarev the right and license to use my service mark TEMPLATEMONSTER in the United States, and I control the use of that mark by Mr. Zolotarev.

(Lognikov decl. at ¶ 5.)

The two statements – that Applicant licenses the mark, and that Applicant has no control over the licensee's business operations – are mutually exclusive, and fundamentally inconsistent. Applicant cannot be a licensor of the TEMPLATEMONSTER mark if he has no control over Mr. Zolotalev's business operations. At a minimum, the license must provide for adequate control by the licensor over the quality of the services offered under the allegedly licensed mark. Haymaker Sports, 581 F.2d at 261. By operation of law, Mr. Zolotalev's uncontrolled use of the TEMPLATEMONSTER mark cannot inure to Applicant's benefit.

Applicant's declaration is fundamentally inconsistent with the existence of a license between Applicant and Mr. Zolotarev. It cannot, as a matter of law, support Applicant's claim of use through a licensee. Accordingly, Applicant has failed to raise a genuine issue of material fact for trial, and summary judgment should be entered in favor of MonsterCommerce on the ground that Applicant is not the owner of the TEMPLATEMONSTER mark.

B. Applicant's Declaration Does Not Raise a Genuine Issue of Material Fact Because it is Inherently Incredible

Applicant's internally inconsistent declaration, devoid of any detail or corroborating information, cannot raise a genuine issue of material fact because the declaration is inherently incredible. Applicant's singular argument in opposition to Opposer's motion for summary judgment is that Applicant is the owner of the TEMPLATEMONSTER mark by virtue of an alleged license between Applicant and Mr. Zolotalev, the registrant of the

TEMPLATEMONSTER.COM domain name.[1] As support for this essential contention, Applicant submitted a declaration from himself in which he concludes, in a single sentence, that he licenses the TEMPLATEMONSTER mark to Mr. Zolotalev. (Lognikov decl. at ¶ 5.) Incredibly, Applicant does not provide a morsel of information or shred of corroborating evidence to support the existence of this so-called license. For starters, Applicant does not provide a copy of the license. Nor does he provide a corroborating declaration from Mr. Zolotalev about the alleged license, which he had over a month to obtain. Applicant does not disclose the essential terms of the alleged license, such as whether the alleged license is written or oral, its duration, geographic scope, or the payment terms. Most importantly, Applicant does not describe the quality control provision that is essential for every trademark license. Haymaker Sports, 581 F.2d at 261. To the contrary, Applicant concedes that he has no control over the alleged license's business operations, thus eviscerating his claim that a trademark license exists.

Applicant's one sentence contention that he licenses the TEMPLATEMONSTER mark to Mr. Zolotalev without providing a scintilla of detail or supporting evidence cannot raise a genuine issue of material fact because Applicant's conclusory, self-serving declaration is inherently incredible. See International Assoc. of Machinists and Aerospace Workers, 103 F.3d at 206. Accordingly, Applicant has failed to raise a genuine issue of material fact for trial.

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[1] In his opposition brief, Applicant also makes irrelevant contentions about trademark opposition proceedings in Europe. As the Board held in its Order dated February 13, 2008, information and decisions relative to trademark disputes in foreign countries are not controlling in the United States because trademark rights are territorial. (Order dated February 13, 2008 at pp. 8-9.)

C. Judicial Estoppel Precludes Applicant from Submitting a Declaration that Contradicts His Statements to the Federal District Court

Applicant's declaration to this Board in which he swears under oath that he has a business relationship with Mr. Zolotalev, the registrant of the TEMPLATEMONSTER.COM domain name, is barred by the doctrine of judicial estoppel because Applicant explicitly represented to the district court in the Corbis Action that he had "no business relationship" with the registrant of the TEMPLATEMONSTER.COM domain name to avoid entry of contempt against him. The Board should not allow Applicant to usurp the integrity of judicial proceedings by condoning such obvious attempts to mislead courts.

The doctrine of judicial estoppel is directed to the preservation of the integrity of judicial proceedings by protecting against litigants who "play fast and loose with the courts." U.S. Philips Corp. v. Sears Roebuck & Co., 55 F.3d 592, 596-97 (Fed. Cir. 1995). The principal factors that courts consider in determining whether to apply the doctrine of judicial estoppel are: (1) whether the party's later position is "clearly inconsistent" with its earlier position; (2) whether the party has succeeded in persuading a court to accept that party's earlier position, so that judicial acceptance of an inconsistent position in a later proceeding would create the perception that either the first or second court was misled; and (3) whether the party seeking to assert an inconsistent position would derive an unfair advantage or impose an unfair detriment on the opposing party if not estopped. State of New Hampshire, 532 U.S. 742, 751, 121 S. Ct. 1808, 149 L. Ed. 2d 968 (2001).

Applicant has submitted a declaration in which he states that Mr. Zolotalev is the registrant of the TEMPLATEMONSTER.COM domain name, and that Applicant licenses the use of the TEMPLATEMONSTER mark to Mr. Zolotalev. Yet, Applicant explicitly represented to the federal district court that he did not have a business relationship with

TEMPLATEMONSTER.COM, a party that Applicant identified as one of the Template Defendants.

> Mr. Lognikov is a writer, and does not have a business relationship with Template Defendants, other than to link his Web Design Library to the Template Defendants website.

(Lognikov Response at p. 9, Exh. 7 to Jacobs Decl.; Lognikov Response at p. 1, Exh. 7 to Jacobs Decl. (classifying TEMPLATEMONSTER.COM as one of the Template Defendants.))

Applicant's contradictory statements are precisely the type of behavior the doctrine of judicial estoppel was designed to address and prevent. In an effort to convince the federal district court that Applicant was not in contempt for the actions of the other defendants, including transferring the TEMPLATEMONSTER.COM domain name to a third party, Applicant disavowed any business connection with Mr. Zolotalev and any control over the TEMPLATEMONSTER.COM website. Now that Applicant desperately needs to show that Mr. Zolotalev is a licensee of the TEMPLATEMONSTER mark, Applicant states under penalty of perjury to the Board that he has an established business relationship with Mr. Zolotalev in which Applicant licenses the TEMPLATEMONSTER mark to Mr. Zolotalev. If Applicant's statements to this Board are accepted as true, then the statement he made to the federal district court, that he has no business relationship with and no control over the TEMPLATEMONSTER.COM domain name and website, must have been false. Accepting Applicant's statement that he has granted Mr. Zolotalev a license to use the TEMPLATEMONSTER mark will create the perception that either the Board or the district court was misled, a central policy reason for the invocation of the judicial estoppel doctrine. State of New Hampshire v. State of Maine, 532 U.S. 742, 755, 121 S. Ct. 1808, 149 L. Ed. 2d 968 (2001).

Applicant should be judicially estopped from taking the position that he has granted Mr. Zolotarev the right and license to use the mark TEMPLATEMONSTER in the United States, and that Applicant controls the use of that mark because it is clearly inconsistent with the position he previously took in federal court in which Applicant succeeded in avoiding a contempt violation for violating the court's order. With the invocation of judicial estoppel, Applicant cannot raise a genuine issue of material fact that he is the owner of the TEMPLATEMONSTER mark because Applicant has presented no evidence that he has used the mark himself or through a related entity. Accordingly, summary judgment should be entered in favor of Opposer and this Opposition should be sustained.

II. CONCLUSION

For all the foregoing reasons, and those addressed in MonsterCommerce's Motion for Summary Judgment, MonsterCommerce and Network Solutions respectfully request that the Board grant their motion for summary judgment and sustain the opposition.

Respectfully submitted,

Date: January 15, 2009

By: _____

Hara K. Jacobs
Brian J. Winterfeldt
Troy E. Larson
BALLARD SPAHR ANDREWS & INGERSOLL, LLP
601 13th Street, NW, Suite 1000 South
Washington, D.C. 20005
(202) 661-2200

ATTORNEYS FOR OPPOSER

CERTIFICATE OF SERVICE

I, Troy E. Larson, hereby certify that on today's date, I caused a copy of the foregoing Opposer's Motion for Summary Judgment to be served by United States First Class mail, postage prepaid, on counsel for Applicant as set forth below:

Richard S. Ross, Esq.
Attorney for Applicant
4801 South University Drive
Suite 237
Ft. Lauderdale, Florida 33328
Tel (954) 252-9110
Fax (954) 252-9192
E mail prodp@ix.netcom.com

Dated: January 15, 2009

Troy E. Larson