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

Proceeding	91188704
Party	Plaintiff iLike, inc.
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TRADEMARK
Docket No. 061442.9900

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

In the matter of application Serial No. 77/465,234
Filed May 4, 2008
For the mark **GARAGE BRAND**
Published in the OFFICIAL GAZETTE on October 7, 2008

iLike, Inc., Opposer, v. DHC Assets Limited Partnership, Applicant.	Opposition No.: 91,188,704

REPLY IN SUPPORT OF OPPOSER'S MOTION FOR JUDGMENT ON THE PLEADINGS OR IN THE ALTERNATIVE MOTION TO STRIKE

In its Opposition to Opposer's Motion for Judgment on the Pleadings or in the Alternative Motion to Strike ("Response"), Applicant DHC Assets Limited Partnership ("Applicant") fails to address, let alone distinguish, the controlling case law Opposer cited in its opening motion, fails to cite contrary controlling case law and only raises conclusory, hypothetical claims without factual support that do not provide any support for its groundless affirmative defenses.

A. Applicant Fails to Provide Any Case Law or Supporting Factual Allegations in Support of its Alleged Affirmative Defenses

Applicant's Response fails to address the deficiencies of its affirmative defenses and, thereby, serves only to confirm that Applicant does not have any factual or legal support for its alleged affirmative defenses. In fact, Applicant's own assertion that the Board can issue

judgment on the pleadings where the insufficiency of the pleadings is clearly apparent (Response, pp 2-3) supports rather than defeats Opposer's motion. Applicant simply has not cited any relevant controlling case law or provided any relevant facts, as distinguished from groundless supposition, to support of any of its insufficient and improper affirmative defenses, whether you consider its Answer, its Response or both.

1. *Applicant's Affirmative Defense of Failure to State a Claim Does Not Survive Scrutiny*

Based on the undisputed, controlling case law and the cognizable facts before this Board, the affirmative defense of failure to state a claim simply does not stand as a viable defense to this Opposition. The Board's prior rulings categorically establish that failure to state a claim is not a proper affirmative defense where an opposer has alleged standing. *Order of Sons of Italy in Am. v. Profumi Fratelli Nostra AG*, 36 U.S.P.Q.2d 1221, 1222 (T.T.A.B. 1995); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 1026 (C.C.P.A. 1982). Indeed, the Federal Circuit case law Applicant relies on only provides further support for this conclusion. Response, p. 4. In *Jeweler's Vigilance Committee, Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 U.S.P.Q.2d 2021 (Fed. Cir. 1987), the Board articulated the touchstone for a viable claim under section 2(d). The *Jeweler*'s case states, "[i]n the usual case where an opposition or cancellation is brought under section 2(d), the opposer does have a proprietary interest in the mark and standing is afforded through its assertion that it will incur some direct injury to its own established trade identity if the mark is registered."[1]

Opposer has more than met the standard articulated in *Jeweler's*. Opposer properly alleged its interest in these proceedings based on its use and registration of its GARAGEBAND

[1] Applicant's reliance on case law from the Fifth Circuit and the Southern District of New York (Response, pp. 3, 4) is inapplicable on its face and does not even inform the issue before the Board as to the propriety of this Affirmative Defense in an opposition proceeding.

based marks, and its allegation and belief that it will be damaged by the registration of the GARAGE BRAND designation, particularly for music publishing services. Opposition ¶¶ 1-7, 9-12, Motion, pp. 4-5.

Accordingly, the Opposition establishes harm and standing, and Applicant's alleged affirmative defense of failure to state a claim can only be characterized as without any merit.

2. *Applicant's Affirmative Defenses of Laches and Acquiescence Also Fail*

Even after the Applicant's Response, Applicant's affirmative defenses of laches and acquiescence also remain inappropriate affirmative defenses as a matter of law. In its Response, Applicant conveniently ignores the controlling case law concerning the availability of these defenses in Board proceedings, as evidenced by Applicant's supposition that, "Applicant believes discovery may reveal that Opposer improperly delayed in opposing the registration of Applicant's trademark." Response, p. 6. To begin with, like its other so-called factual assertions, Applicant's claim of delay simply does not withstand even the slightest scrutiny. The Board has clearly held, in multiple decisions that Applicant has failed to even acknowledge let alone distinguish, that unreasonable delay only begins to run in opposition proceedings from the time the application is published for opposition, not from the time of any purported knowledge of use or any other time. *See Nat'l Cable Television Ass'n, Inc. v. Am. Cinema Editors, Inc.*, 937 F.2d 1572, 1581 (Fed. Cir. 1991); TBMP §311.02(b).

Particularly, since the application that is the subject of this proceeding is an intent-to-use application, it is not sustainable that any amount of discovery or any amendment to the Answer could render laches and acquiescence viable affirmative defenses to the allegations in this Opposition. It is irrefutable that Applicant has not, because it cannot, in any way established that Opposer did not timely and properly file its Notice of Opposition to Applicant's intent-to-use

application for the GARAGE BRAND designation. Thus, these affirmative defenses have no place in this proceeding.

3. *Applicant's Affirmative Defenses of Estoppel, Waiver, Unclean Hands and Fraud Also Do Not Survive Scrutiny*

Like its laches and acquiescence defenses, Applicant's Response provides no factual basis to support its affirmative defenses of waiver, estoppel, unclean hands or fraud. The Response makes no mention of any prior contact between Applicant and Opposer, let alone of any valid agreement binding Applicant and Opposer, or any prior resolution of any issues raised in this Opposition proceeding that would support these affirmative defenses if they had any basis in fact. Any such agreements are all the more implausible because Applicant filed its Application on an intent-to-use basis. Moroever, Opposer's alleged failure to pursue other allegedly similar marks, even if true, does not provide any factual basis for these defenses as a matter of law.

Applicant's Response amounts to nothing more than unsupported, circular verbiage. Response, p. 6 ("Applicant alleged Opposer *may have* engaged in misleading conduct that caused Applicant to assume rights would not be asserted against it...") (emphasis added). Applicant never explains in its Response (or in its Answer) the so-called "misleading conduct" in which Opposer "may have engaged...." Opposer submits that it does not, because it cannot. Applicant cannot as a matter of law meet the needed factual bases for any of these affirmative defenses. Affirmative defenses based only on supposition cannot and should not serve as the basis for a discovery fishing expedition.

Likewise, Applicant's continued bald allegations that Opposer has somehow committed fraud supply no viable facts on which to base such a claim that meet pleading requirements as set

set forth in the Motion. Again, Applicant relies on supposition to engage presumably once again in a discovery fishing expedition.[2] Such conduct cannot and should not be sanctioned.

Accordingly, each of these affirmative defenses should be stricken from Applicant's Answer or, alternatively, the Board should rule on Applicant's affirmative defenses as a matter of law.

Conclusion

As Applicant has failed to distinguish controlling authority to support its alleged defenses, Opposer respectfully requests that the Board grant Opposer's Motion to Strike or its Motion for Judgment on the Pleadings. No purpose would be served but to delay these proceedings by allowing Applicant to amend its Answer, given that Applicant has set forth in its Answer and its Response no viable facts on which to base any of its purported affirmative defenses.

Dated: May 7, 2009

Respectfully submitted,

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[2] In all events, any claim of fraud would be of little import here. It is undisputable that Opposer has statutory *and* common law rights that predate any rights Applicant asserts in the applied-for designation, giving Opposer rights to oppose.

TRADEMARK
Docket No. 061442.9900

CERTIFICATE OF SERVICE

I am a resident of the State of California and over the age of eighteen years, and not a party to the within action; my business address is One Market, Spear Street Tower, San Francisco, CA 94105.

On **May 7, 2009**, I served the within documents:

REPLY IN SUPPORT OF OPPOSER'S MOTION FOR JUDGMENT ON THE PLEADINGS OR IN THE ALTERNATIVE MOTION TO STRIKE

☒ **(BY MAIL)** I placed the sealed envelope(s) for collection and mailing by following the ordinary business practices of Morgan, Lewis & Bockius LLP, San Francisco, California. I am readily familiar with the firm's practice for collecting and processing of correspondence for mailing with the United States Postal Service, said practice being that, in the ordinary course of business, correspondence with postage fully prepaid is deposited with the United States Postal Service the same day as it is placed for collection.

☐ **(BY OVERNIGHT DELIVERY)** I placed the sealed envelope(s) or package(s) designated by the express service carrier for collection and overnight delivery by following the ordinary business practices of Morgan, Lewis & Bockius LLP, San Francisco, California. I am readily familiar with the firm's practice for collecting and processing of correspondence for overnight delivery, said practice being that, in the ordinary course of business, correspondence for overnight delivery is deposited with delivery fees paid or provided for at the carrier's express service offices for next-day delivery the same day as the correspondence is placed for collection.

☐ **(BY FACSIMILE)** as listed below.

DANA B. ROBINSON
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P.O. BOX 1416
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Executed on **May 7, 2009**, at San Francisco, California. I declare under penalty of perjury, under the laws of the United States of America, that the foregoing is true and correct.

Yelena Lolua

Yelena Lolua