

ESTTA Tracking number: **ESTTA423476**

Filing date: **08/04/2011**

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

Proceeding	91197616
Party	Defendant Howard Montag Group LLC
Correspondence Address	DENNIS P. MCCOOE BLANK ROME LLP 1 LOGAN SQ FL 8 PHILADELPHIA, PA 19103-6998 UNITED STATES mccooe@blankrome.com
Submission	Motion to Suspend for Civil Action
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Date	08/04/2011
Attachments	SLAP Motion.pdf ( 31 pages )(1160498 bytes )

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

In re Application of Howard Montag Group LLC

Application No.: 85/118,880

Filed: August 30, 2010

Mark: SLAP

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BCP IMPORTS, LLC	:	
	:	
Opposer,	:	
	:	
v.	:	Opp. No.: 91197616
	:	
HOWARD MONTAG GROUP, LLC	:	
	:	
Applicant.	:	

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Hon. Commissioner for Trademarks  
P.O. Box 1451  
Alexandria, Virginia 22313-1451

Attn.: Trademark Trial and Appeal Board

**MOTION TO SUSPEND OPPOSITION PROCEEDINGS**

Pursuant to Trademark Rule 2.117(a) and Trademark Trial and Appeal Board Manual of Procedure § 510.02, Applicant requests that the above-captioned proceeding be suspended in view of a pending, federal civil action that may have a bearing on this matter.

SUSPENSION FOR PENDING CIVIL ACTION

The parties are actively involved in a pending federal civil action that may have a bearing on the instant matter, namely BCP Imports, LLC, v. Howard Montag Group, LLC, Case No. 3:11-CV-231 (N.D. Ohio). (See attached complaint and counterclaim). Trademark Rule 2.117(a) provides that, "[w]henever it shall come to the attention of the [Board] that a party or parties to a pending case are involved in a civil action . . . which may have a bearing on the case, proceedings before the Board may be suspended until termination of the civil action . . . ." 37 C.F.R. § 2.117(a); T.B.M.P. § 510.02(a).

Such a suspension is in the interest of avoiding duplication of the effort of the district court and the Board and avoiding the possibility of reaching an inconsistent conclusion. Moreover, suspension is consistent with the Board's inherent authority to control the conduct of its own proceedings.

The Notice of Opposition alleges that the term SLAP is descriptive and generic when used in connection with Applicant's goods. In the federal civil action, Applicant has filed a counterclaim accusing Opposer of infringing its exclusive rights in the SLAP mark. Thus, Applicant's rights in its SLAP mark

will be decided in the civil action. The district court's findings regarding whether or not such rights exist will have a direct bearing on Opposer's claims in this proceeding.

Significantly, the district court's findings would be binding upon the Board, whereas the Board's findings would be merely advisory to the district court. See American Bakeries Co. v. Pan-O-Gold Baking Co., 2 U.S.P.Q.2d 1208 (D.C. Minn. 1986); Other Telephone CO. v. National Telephone Co., 181 U.S.P.Q. 79 (Comm'r Pats. 1974); Whopper-Burger, Inc. v. Burger King Corp., 171 U.S.P.Q. 805 (T.T.A.B. 1971).

Accordingly, Applicant respectfully requests that this proceeding be suspended in order to avoid duplicitous and potentially conflicting rulings and to preserve the resources of the Parties and the Board.

Respectfully submitted,

HOWARD MONTAG GROUP LLC

Date: August 4, 2011

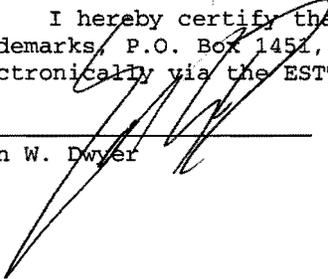
By: \_\_\_\_\_

David M. Perry  
Dennis P. McCoee  
Sean W. Dwyer  
Its Attorneys

BLANK ROME LLP  
ONE LOGAN SQUARE  
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CERTIFICATE OF MAILING

I hereby certify that this correspondence is addressed to Hon. Commissioner for Trademarks, P.O. Box 1451, Alexandria, Virginia 22313-1451 and is being deposited electronically via the ESTTA online filing database on August 4, 2011.

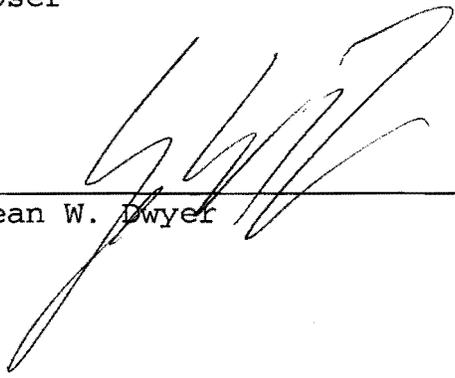
  
\_\_\_\_\_  
Sean W. Dwyer

CERTIFICATE OF SERVICE

I, Sean W. Dwyer, do hereby certify that I have on the 4<sup>th</sup> day of August, 2011, mailed by first class United States mail, postage prepaid, the foregoing Answer and Affirmative Defenses to the following:

Robert M. Leonardi  
MacMillan, Sobanski & Todd, LLC  
720 Water StreetFifth Floor  
Toledo, OH 43604

Attorney for Opposer

  
\_\_\_\_\_  
Sean W. Dwyer

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
WESTERN DIVISION

BCP IMPORTS, LLC,	)	CASE NO. 3:11-CV-231
	)	
Plaintiff,	)	
	)	JUDGE CARR
vs.	)	
	)	(Jury Demand Incorporated Herein)
HOWARD MONTAG GROUP, LLC,	)	
	)	
Defendant.	)	

**DEFENDANT HOWARD MONTAG GROUP, LLC'S ANSWER, AFFIRMATIVE DEFENSES AND COUNTERCLAIM TO BCP IMPORTS, LLC'S COMPLAINT**

**ANSWER**

Defendant Howard Montag Group, LLC ("HM") responds to Plaintiff BCP Imports, LLC's ("BCP") Complaint as follows:

**NATURE OF THE ACTION**

1. HM admits that BCP filed an action under the Lanham Act for trademark infringement and unfair competitions and denies the remaining allegations of Paragraph 1 of the Complaint.

**PARTIES AND JURISDICTION**

2. HM lacks information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 2 of the Complaint.

3. HM admits the allegations set forth in Paragraph 3 of the Complaint.

4. HM admits the allegations set forth in Paragraph 4 of the Complaint.

5. HM admits the allegations set forth in Paragraph 5 of the Complaint.

6. HM denies the allegations set forth in Paragraph 6 of the Complaint.

7. HM admits the allegations set forth in Paragraph 7 of the Complaint.

**FACTS COMMON TO ALL COUNTS**

8. HM lacks information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 8 of the Complaint.

9. HM lacks information sufficient to form a belief as to the truth of the allegations regarding how BCP packages its produces as set forth in Paragraph 9 of the Complaint, but denies that the packaging, as described, is similar to the packaging used by HM.

10. HM lacks information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 10 of the Complaint.

11. HM lacks information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 11 of the Complaint.

12. HM denies the allegations set forth in Paragraph 12 of the Complaint.

13. HM denies the allegations set forth in Paragraph 13 of the Complaint.

14. HM admits that it uses the word "sillybandz" in its metatags, but denies that it uses the words to cause initial interest confusion. HM lacks information sufficient to form a belief as to the truth of the remainder of the allegations set forth in Paragraph 14 of the Complaint.

15. HM denies the allegations set forth in Paragraph 15 of the Complaint.

16. No response is required of HM to Paragraph 16 of the Complaint. To the extent a response is required, HM denies the allegations set forth in Paragraph 16 of the Complaint.

17. HM denies the allegations set forth in Paragraph 17 of the Complaint.

18. HM states that the article referenced by BCP speaks for itself and denies the remaining allegations set forth in Paragraph 18 of the Complaint.

19. HM denies the allegations set forth in Paragraph 19 of the Complaint.

20. HM admits the allegations set forth in Paragraph 20 of the Complaint.

**COUNT I - TRADEMARK INFRINGEMENT AND UNFAIR COMPETITION**

21. With respect to Paragraph 21, HM hereby incorporates its responses contained in Paragraphs 1 through 20 of the Complaint as if fully re-written herein.

22. HM denies the allegations set forth in Paragraph 22 of the Complaint.

23. HM admits the allegations set forth in Paragraph 23 of the Complaint.

24. HM denies the allegations set forth in Paragraph 24 of the Complaint.

25. HM admits that it owns the domain name <http://www.zanybandz.com> and the website at <http://www.zanybandz.com> through which it markets and sells its ZanyBandz product, but denies the remainder of the allegations set forth in Paragraph 25 of the Complaint.

26. HM denies the allegations set forth in Paragraph 26 of the Complaint.

27. HM denies the allegations set forth in Paragraph 27 of the Complaint.

**COUNT II - FALSE ADVERTISING**

28. With respect to Paragraph 28, HM hereby incorporates its responses contained in Paragraphs 1 through 27 of the Complaint as if fully re-written herein.

29. HM denies the allegations set forth in Paragraph 29 of the Complaint.

30. HM denies the allegations set forth in Paragraph 30 of the Complaint.

31. HM denies the allegations set forth in Paragraph 31 of the Complaint.

32. HM denies the allegations set forth in Paragraph 32 of the Complaint.

33. HM denies the allegations set forth in Paragraph 33 of the Complaint.

34. HM denies the allegations set forth in Paragraph 34 of the Complaint.

35. HM denies the allegations set forth in Paragraph 35 of the Complaint.

36. HM denies the allegations set forth in Paragraph 36 of the Complaint.

**COUNT III - FEDERAL ANTIDILUTION TRADEMARK ACT**

37. With respect to Paragraph 37, HM hereby incorporates its responses to Paragraph 1 through 36 of the Complaint as if fully re-written herein.

38. HM lacks information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 38 of the Complaint and, thus, denies the same.

39. HM lacks information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 39 of the Complaint and, thus, denies the same.

40. HM denies the allegations set forth in Paragraph 40 of the Complaint.

41. HM denies the allegations set forth in Paragraph 41 of the Complaint.

42. HM denies the allegations set forth in Paragraph 42 of the Complaint.

43. HM denies the allegations set forth in Paragraph 43 of the Complaint.

**COUNT IV - CANCELLATION OF DEFENDANT'S TRADEMARK APPLICATIONS**

44. With respect to Paragraph 44, HM hereby incorporates its responses to Paragraphs 1 through 43 of the Complaint as if fully re-written herein.

45. HM admits the allegations set forth in Paragraph 45 of the Complaint.

46. HM denies the allegations set forth in Paragraph 46 of the Complaint.

47. HM denies the allegations set forth in Paragraph 47 of the Complaint.

48. HM denies the allegations set forth in Paragraph 48 of the Complaint.

49. HM admits the allegations set forth in Paragraph 49 of the Complaint.

50. HM denies the allegations set forth in Paragraph 50 of the Complaint.

51. No response is required from HM to Paragraph 51 of the Complaint. To the extent a response is required, HM denies the allegations set forth in Paragraph 51 of the Complaint.

52. HM denies the allegations set forth in Paragraph 52 of the Complaint.

**COUNT V - DILUTION UNDER OHIO LAW**

53. With respect to Paragraph 53, HM hereby incorporates its responses to Paragraphs 1 through 52 of the Complaint as if fully re-written herein.

54. HM denies the allegations set forth in Paragraph 53 of the Complaint.

55. HM denies the allegations set forth in Paragraph 55 of the Complaint.

56. HM denies the allegations set forth in Paragraph 56 of the Complaint.

57. HM denies the allegations set forth in Paragraph 57 of the Complaint.

58. HM denies the allegations set forth in Paragraph 58 of the Complaint.

59. HM denies the allegations set forth in Paragraph 59 of the Complaint.

**COUNT VII [sic] - DECEPTIVE TRADE PRACTICES R.C. 4165.02**

60. With respect to Paragraph 60, HM hereby incorporates its responses to Paragraphs 1 through 59 of the Complaint as if fully re-written herein.

61. HM denies the allegations set forth in Paragraph 61 of the Complaint.

62. HM denies the allegations set forth in Paragraph 62 of the Complaint.

63. HM denies the allegations set forth in Paragraph 63 of the Complaint.

64. HM denies the allegations set forth in Paragraph 64 of the Complaint.

65. HM denies the allegations set forth in Paragraph 65 of the Complaint.

66. HM denies the allegations set forth in Paragraph 66 of the Complaint.

67. HM denies the allegations set forth in Paragraph 67 of the Complaint.

## AFFIRMATIVE DEFENSES

### First Affirmative Defense

1. The Complaint fails to state a claim upon which relief can be granted.

### Second Affirmative Defense

2. BCP's claim is barred as to the alleged "Sillybandz" designation insofar as this designation has never been used as a trademark, is merely descriptive, and is not validly owned by BCP.

### Third Affirmative Defense

3. BCP's claim is barred as to the alleged "Collect'em Trade'em Wear'em" designation insofar as this designation has never been used as a trademark, is merely descriptive and is not validly owned by BCP.

### Fourth Affirmative Defense

4. BCP's alleged trademarks are not distinctive and have no secondary meaning, and are therefore inherently unprotectable.

### Fifth Affirmative Defense

5. HM has not intentionally infringed any valid trademark owned by BCP.

### Sixth Affirmative Defense

6. BCP's alleged trademarks are *void ab initio*, or are otherwise procured by fraud, and/or maintained by fraud.

### Seventh Affirmative Defense

7. BCP's alleged trademarks are invalid for not complying with one or more Trademark laws including rights of renewal and continued use.

Eighth Affirmative Defense

8. Any use of BCP's alleged trademarks by HM was for the purpose of comparative advertising and, therefore, subject to the fair use exception of the Lanham Act.

**WHEREFORE**, Defendant Howard Montag Group, LLC respectfully requests that Plaintiff's Complaint be dismissed prejudice and that judgment be entered in its favor and against Plaintiff as follows:

1. That BCP's Complaint be dismissed and BCP be ordered to pay the costs, charges and disbursements, including reasonable attorneys' fees, incurred in the defense of this action.
2. That the Court declare the rights and legal relation of BCP and HM as to the controversy herein set forth in order that such declaration shall have the force and effect of a final judgment or decree.
3. That this Court enter a judgment that BCP's trademarks are invalid.
4. That by way of further relief, this Court grant a preliminary injunction pending this suit, and after a final hearing, a perpetual injunction enjoining and restraining BCP, its officers, agents, employees, associates and confederates from further asserting, contending, claiming or alleging that the aforesaid trademarks have hitherto been or are now being infringed by HM.
5. That by way of further relief, this Court grant a preliminary injunction pending this suit, and after a final hearing a perpetual injunction, enjoining and restraining BCP from any use of HM's trademarks.
6. That HM have judgment for such damages as this Court finds HM has sustained by reason of BCP's acts and such other and further relief as equity may require or to this Court may seem proper.

### **COUNTERCLAIMS**

For its counterclaims against Plaintiff BCP Imports, LLC ("BCP"), Defendant Howard Montag Group, LLC ("HM") states as follows:

#### **THE PARTIES**

1. Howard Montag Group, LLC is a limited liability corporation organized under the laws of Oklahoma and having a principal place of business at 2200 East Concord St., Broken Arrow, OK 74012.

2. BCP Imports, LLC is a limited liability corporation organized under the laws of the State of Ohio and having a principal place of business at 148 Main Street, Toledo, Ohio 43605.

#### **JURISDICTION AND VENUE**

3. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332(a), as there is complete diversity between HM and BCP and the amount in controversy exceeds \$75,000. This Court also has subject matter jurisdiction over HM's federal claims under the Lanham Act, 15 U.S.C. §§ 1041 *et seq.*, pursuant to 15 U.S.C. §§ 1121 and 28 U.S.C. §§ 1331, 1338 and has supplemental jurisdiction over HM's state law claims against BCP pursuant to 28 U.S.C. § 1367.

4. This Court has personal jurisdiction over BCP by virtue of the facts that BCP has its principal place of business in the State of Ohio in this judicial district, does business in the State of Ohio in this judicial district, and has committed tortious conduct in this judicial district.

5. Venue is proper in this Court and this judicial district pursuant to 28 U.S.C. § 1391(b) by virtue of the facts that BCP resides in this judicial district and part of the events or omissions giving rise to HM's claims against BCP occurred in this judicial district.

## FACTUAL BACKGROUND

### HM's Intellectual Property

6. HM, through its entity Big Time Brands, markets, distributes and sells various pop culture items, including Zanybandz, Splash Watch and SLAP™ Watch.

7. In 2010, HM began marketing and selling its unique SLAP™ Watch product, which is described as a twist on the silicone watch by employing the spring coil bracelet, or Slap Bracelet, once famous in the 1990's. A sample picture of the product is included below:



8. The SLAP™ Watch is available in nine different colors: alabaster white, raven black, electricity blue, popstar pink, sunset orange, army green, crimson red, purple berry, and platinum.

9. HM's SLAP™ Watch product is sold through its website <http://www.slapwatch.com> as well as through Amazon.com.

10. HM has spent substantial time and money advertising and marketing its SLAP™ Watch product, including setting up social media accounts for the product on Facebook® and Twitter® and posting videos about the product on YouTube®.

11. HM's SLAP™ Watch has been featured on "The Ellen DeGeneres Show," "The View" and "CNN." It has also been the feature of articles in the New York Post and Rolling Stone.

12. Moreover, the SLAP™ Watch has been mentioned in various blogs, including, but not limited to, Crafty Mama of 4, PopStar.com, UniversityChic.com, Beauty News NYC, and Friends and Family blog.

13. As a result of this widespread marketing of the SLAP™ Watch in interstate commerce and throughout the United States, an appreciable number of consumers have come to identify the SLAP™ Watch mark with the product produced and sold by HM.

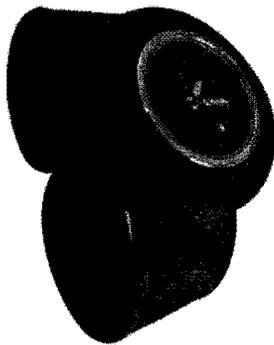
14. HM's trademark application for the mark SLAP Watch is currently pending with the United States Patent and Trademark Office under U.S. Trademark Application serial number 85110349.

15. HM has invested considerable resources in developing goodwill in its SLAP™ Watch mark such that, significant segments of consumers are likely to purchase HM's SLAP™ Watch products as they identify them with a single unidentified source.

*BCP's Infringing Silly Slapz Slap Watch Product*

16. In 2010, BCP began advertising, marketing and selling a product called the Silly Slapz Slap Watch.

17. Like the SLAP™ Watch, the Silly Slapz Slap Watch is a silicone watch which employs a spring coil bracelet to "slap" onto the user's wrist. A sample picture of the Silly Slapz Slap Watch is included below:



18. The Silly Slapz Slap Watch comes in nine different colors: aqua blue, black, electric yellow, green, pink, purple, red, tangerine orange, and white.

19. BCP markets and sells the Silly Slapz Slap Watch through various websites including <http://www.slapzwatch.com> and <http://retail.sillybrandzglobal.com> as well as through Amazon.com.

20. HM has never authorized BCP to use its SLAP™ Watch mark and BCP has never contacted HM to request permission to use the term "slap watch" in relation to its products.

21. BCP's infringing "Slap Watch" product is confusingly similar to HM's genuine SLAP™ Watch product and is likely to cause confusion among consumers in the marketplace.

**FIRST CLAIM FOR RELIEF**

Federal Trademark Infringement

(15 U.S.C. § 1125; § 43(a) of the Lanham Act)

22. HM incorporates by reference the averments of Paragraphs 1 through 21 of this Counterclaim as if fully re-written herein.

23. The term "Slap Watch" is a famous mark used in connection with HM's genuine SLAP™ Watch product.

24. BCP is using the term "Slap Watch" in connection with the advertising, promoting, offering for sale, selling and distributing of products that are not manufactured or authorized by HM.

25. Upon information and belief, BCP has actual knowledge of HM's rights to the famous and distinctive trademark "Slap Watch" and is committing the foregoing acts with full knowledge that it is infringing upon HM's rights.

26. The aforementioned use by BCP constitutes willful and intentional unfair competition in violation of 15 U.S.C. § 1125(a).

27. BCP has profited from its acts of false designation of origin and unfair competitions. HM is entitled to recover BCP's profits arising from its conduct, any damages sustained by HM arising from said conduct, and the costs of this action. HM is also entitled to an enhanced aware of profits and/or damages to fully and adequately compensate it for BCP's conduct.

28. In addition, BCP's violation of 15 U.S.C. § 1125(a) have cause and, unless enjoined by this Court, will continue to cause irreparable injury to HM's goodwill, business identity and reputation. HM is therefore entitled to a preliminary and permanent injunction enjoining and restraining BCP from using HM's SLAP Watch trademark and from engaging in unfair competition with HM.

**SECOND CLAIM FOR RELIEF**

Violation of the Ohio Deceptive Trade Practices Act  
(Ohio Rev. Code Ann. § 4165, *et seq.*)

29. HM incorporates by reference the averments of Paragraphs 1 through 28 of this Counterclaim as if fully re-written herein.

30. BCP is using the term "Slap Watch" in connection with the advertising, promoting, offering for sale, selling, and distributing of products that are not manufactured or authorized by HM, which causes a likelihood of confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services and a likelihood of confusion or misunderstanding as to the affiliation, connection or association with, or certification by, HM.

31. Upon information and belief, BCP has committed the foregoing acts with full knowledge that it is infringing upon HM's rights.

32. The aforementioned uses by BCP constitutes willful and deceptive trade practices in violation of Ohio Rev. Code Ann. § 4165, *et seq.*

**THIRD CLAIM FOR RELIEF**

Unfair Competition Under Ohio Common Law

33. HM incorporates by reference the averments of Paragraphs 1 through 32 of this Counterclaim as if fully re-written herein.

34. BCP is using the term "Slap Watch" in connection with the advertising, promoting, offering for sale, selling, and distributing of products that are not manufactured or authorized by HM.

35. The aforementioned use by BCP constitutes willful and intentional unfair competition in violation of Ohio common law.

36. BCP's violations of Ohio common law have cause and, unless enjoined, will continue to cause irreparable injury to HM's goodwill, business identity and reputation. HM is therefore entitled to a preliminary and permanent injunction enjoining and restraining BCP from using HM's "Slap Watch" mark and from engaging in unfair competition with HM.

**FOURTH CLAIM FOR RELIEF**

Unjust Enrichment

37. HM incorporates by reference the averments of Paragraphs 1 through 36 of this Counterclaim as if fully re-written herein.

38. BCP has been and continues to be unjustly enriched, and has obtained and continues to obtain sales, profits, monetary and other unjust rewards due to its wrongful acts complained of herein.

**PRAYER FOR RELIEF**

**WHEREFORE**, Defendant Howard Montag Group, LLC respectfully prays this Court to enter judgment against Plaintiff BCP Imports, LLC as follows:

1. Entry of judgment awarding HM damages in an amount adequate to compensate HM for BCP's willful infringement of HM's trademark rights;

2. Judgment against BCP for temporary, preliminary and permanent injunctions granted pursuant to 15 U.S.C. § 1116, enjoining BCP and its affiliates, partners, representatives, servants, employees, attorneys and all persons in active concert, privity or participation with BCP from using the "Slap Watch" mark and from otherwise infringing HM's trademarks and/or trade names; from competing unfairly with HM; from falsely designating the origin of the BCP's goods and services; from diluting the distinctive quality of HM's trademarks; from engaging in deceptive trade practices in violation of 15 U.S.C. § 1051 et seq. and the Ohio Deceptive Trade Practices Act, Ohio Rev. Code Ann. § 4165, *et seq*; and from further engaging in unfair competition, and specifically:

(a) using in any manner HM's trademarks, any mark or name confusingly similar to HM's trademarks, or any other mark which so resembles HM's trademarks as to be likely to cause confusion, deception or mistake, in connection with the manufacture, sale, or offer for sale of wheel products;

(b) committing any acts, including use of HM's trademarks, calculated to cause purchasers to believe that BCP's products and/or services are those sold under the control and supervision of HM, or are sponsored, approved, or connected with HM, are guaranteed by HM, or are rendered under the control and supervision of HM; and

(c) further diluting and infringing HM's trademarks and damaging its goodwill.

3. An accounting of all of the BCP's purchases, sales and profits derived from BCP's infringement of HM's intellectual property and the trebling of such damages because of the knowing, willful, and wanton nature of BCP's conduct.

4. Judgment for an award of punitive damages against BCP and in favor of HM by reason of BCP's unfair competition and palming off.

5. Judgment that costs of this action be awarded to HM.
6. Judgment that HM be awarded its reasonable attorneys' fees along with an assessment of interest on all the damages so computed.
7. Prejudgment interest.
8. Such other and further relief as this Court may deem just and proper.

Respectfully Submitted,

/s/ John M. Skeriotis  
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*Attorneys for Howard Montag Group, LLC*

**DEMAND FOR JURY TRIAL**

Defendant Howard Montag Group, LLC hereby demands a trial by jury on all issues so triable.

April 8, 2011  
Date

/s/ John M. Skeriotis  
*One of the Attorneys for Howard Montag  
Group, LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that a copy the foregoing is being filed electronically, on this 8th day of April, 2011. Notice of this filing will be sent by operation of the Court's electronic filing system to all parties indicated on the electronic filing receipt. All other parties will be served by regular U.S. Mail. Parties may access this filing through the Court's system.

/s/ John M. Skeriotis

804209.1



### **JURISDICTION AND VENUE**

4. This Court has subject matter jurisdiction pursuant to 15 USC § 1121 (actions arising under the Lanham Act), 28 USC § 1331 (actions arising under the laws of the United States), 28 USC § 1338(a) (acts of Congress relating to copyrights and trademarks), and 28 USC § 1338(b) (civil actions asserting a claim of unfair competition), 15 USC § 1116 (Injunctive Relief), and 28 USC § 2201-02 (Federal Declaratory Judgment Act).

5. Venue is proper in this District pursuant to under 28 U.S.C. §§1400(a) and 1391(b).

6. This Court has personal jurisdiction over Defendants. On information and belief, Defendants have conducted acts of infringement and unfair competition in this District. On information and belief, Defendants are subject to personal jurisdiction in this District as the acts complained of herein take place within this District and also due to defendant's continuous and systematic contacts with this District.

7. This Court has supplemental jurisdiction over the additional causes of action pursuant to 28 USC § 1367, as claims so related to other issues in the action that they form part of the same case or controversy.

### **FACTS COMMON TO ALL COUNTS**

8. Plaintiff sells uniquely shaped and brightly colored elastic bands under the trademark Sillybandz which is the subject of U.S. Trademark Registration number 3,787,219 (a copy of which is attached hereto as Exhibit A).

9. Plaintiff's products are sold in clear plastic "pillow-shaped" packages with a generally rectangular label located near the top of the package. This design is a trademark which is the subject of U.S. Trademark application serial number 85158334 (a copy of which is attached hereto as Exhibit D). The packaging used by the parties is similar.

10. Plaintiff sells its product under the trademark COLLECT'EM TRADE 'EM WEAR 'EM which is the subject of U.S. Trademark Application serial number 85164979 (a copy of which is attached hereto as Exhibit C).

11. Plaintiff's products are packaged in subject matter groupings named, for

example, Sea Creatures and Western Silly Bandz. These products are copyrighted and are covered by U. S. Copyright Registrations.

12. Defendants' products are packaged in similar subject matter groupings with similar names and similar band designs. Defendants' product packages illustrate and include products which are shaped similarly to the copyrighted product designs included in Plaintiff's respectively named packages.

13. Defendant markets a group of similar designs which it calls "Water Creatures" and "Old West". These groups contain designs similar to the plaintiff's including sea horses, alligators, and sharks.

14. Defendants has gone so far as to use the mark SILLYBANDZ in its HTML Metatags so as to cause initial interest confusion. Search engines pick these words up when customers are searching for Plaintiff's trademarked and original products. See Exhibit B attached.

15. Upon information and belief the Defendant purchased a SEO program where there were articles published that hot linked "Sillybandz" to [www.zanybandz.com](http://www.zanybandz.com).

16. [www.zanybandz.com](http://www.zanybandz.com)

17. Defendant falsely advertises and states to the press that it developed the trend and is the originator of the product. See

<http://www.tulsaworld.com/business/article.aspx?subjectid=53&articleid>

[=20100510\\_53\\_0\\_ThePer678738](http://www.tulsaworld.com/business/article.aspx?subjectid=53&articleid=20100510_53_0_ThePer678738). In one instance the Defendant falsely submitted claims to Wikipedia that it was the originator of these products. That false statement has since been removed by Wikipedia.

18. In one article "James Howard, president of Zanybandz, based in Oklahoma, said the idea originated in China with shaped silicone office products. He said that he suggested making them in cute shapes that would appeal to children and that the Learning Express stores in Birmingham picked up on the craze when the product started to fly off the shelves. Sales quickly went from 25 packs a month to 7,000 a month."

[http://www.nytimes.com/2010/04/17/nyregion/17toy.html?\\_r=1](http://www.nytimes.com/2010/04/17/nyregion/17toy.html?_r=1). This was years after the Plaintiff had created the product and been selling it. Thus defendant made false statements to consumers with the intent of taking sales from Plaintiff as a result of those

false statements.

19. Defendant falsely posted to wikipedia that "Silly Bandz are silicone rubber bands, developed by Zanybandz....".

20. Plaintiff has not authorized Defendant to use Plaintiff's marks on any products.

**COUNT 1 – TRADE MARK INFRINGEMENT**

**AND UNFAIR COMPETITION 15 USC § 1114 (§ 32 OF THE LANHAM ACT)**

**AND 15 USC § 1125(A) (§ 43(A) OF THE LANHAM ACT).**

21. Plaintiff hereby incorporates the allegations contained in paragraphs 1 through 20 above as though fully set forth herein.

22. Plaintiff's products are prominently labeled with the trademark "Collect 'em, Trade 'em, Wear 'em" and with the mark SILLYBANDZ.

23. Plaintiff owns a U.S. trademark registration for SILLYBANDZ and has a pending application for the mark "Collect 'em, Trade 'em, Wear 'em".

24. Plaintiff's trademarks Sillybandz and "Collect 'em, Trade 'em, Wear 'em." have become valuable indicators of the source and origin of Plaintiff's products.

25. Defendant owns the domain name <http://www.zanybandz.com/> and the website at <http://www.zanybandz.com/> which has prominently advertised Zany Bands and "Collect 'em, Trade 'em, Wear 'em in a manner that confuses them with Sillybandz and "Collect 'em, Trade 'em, Wear 'em owned by the Plaintiff and has thus infringed Plaintiff's rights and committed acts of infringement of a registered trademark under 15 USC § 1114 (§ 32 of the Lanham Act) and acts of unfair competition under 15 USC § 1125 (§ 43 of the Lanham Act), as Defendant's activities are likely to cause confusion or initial interest confusion, among the relevant public.

26. Defendant has used and is using meta tags or meta names "Silly Bandz" and "Silly Bands" in connection with its website to redirect consumers searching for genuine Sillybandz products to its website and is thus infringing Plaintiff's rights and committing acts of infringement of a registered trademark under 15 USC § 1114 (§ 32 of the Lanham Act) and acts of unfair competition under 15 USC § 1125 (§ 43 of the Lanham Act), as Defendant's activities are likely to cause confusion or initial interest

confusion, among the relevant public.

27. As a direct and proximate result of Defendants' infringement of Plaintiff's trademark, Plaintiff has suffered and unless enjoined will continue to suffer damages to its profits, sales, and business.

**COUNT 2 – FALSE ADVERTISING 15 USC § 1125(A)  
(§ 43(A) OF THE LANHAM ACT)**

28. Plaintiff hereby incorporates the allegations contained in paragraphs 1 through 27 above as though fully set forth herein.

29. Defendant has made false or misleading statements of fact concerning his product and as to the origin of them.

30. These statements that defendant originated Silly Bandz or that its products are SillyBandz are false.

31. These statements actually deceives or tends to deceive substantial portion of intended audience.

32. The statements are material in that they will likely influence deceived customer's purchasing decisions.

33. Defendants statements were introduced into interstate commerce.

34. Defendants actions in making these false statements have caused financial injury and injury to the reputation of the Plaintiff.

35. there is some causal link between challenged statements and harm to plaintiff. Lanham Trade-Mark Act, § 43(a), 15 U.S.C.A. § 1125(a).

36. As a direct and proximate result of Defendant's False Advertising Plaintiff has suffered and unless enjoined will continue to suffer damages to its profits, sales, reputation, loss of goodwill and business.

**COUNT 3 – FEDERAL ANTIDILUTION  
TRADEMARK ACT 15 USC § 1125(A)**

37. Plaintiff hereby incorporates the allegations contained in paragraphs 1 through 36 above as though fully set forth herein.

38. Plaintiff has sold millions of its products all over the world and has

spawned dozens of imitators since its inception.

39. Plaintiff's products are worn by movie stars who publicize Plaintiff's products.

40. Plaintiff's marks are famous and distinctive, and that defendant's use of the mark was in commerce. All of defendant's legitimate use and trademark use if any began after Plaintiff's mark had become famous.

41. Defendant's use has caused dilution of the distinctive quality of Plaintiff's marks and caused actual harm to the Plaintiff and its marks. Defendant's actions have caused financial loss, weakened the response to its own advertising and promotion and caused it to lose goodwill as well as injury to its reputation.

42. Defendant has acted maliciously with purpose and bad faith as evidenced by its false claims that it is the originator of Silly Bandz and that its products are Silly Bandz.

43. As a direct and proximate result of Defendant's Dilution Plaintiff has suffered and unless enjoined will continue to suffer damages and injury under 15 U.S.C.A. § 1125(c)(1), and unless enjoined will continue to suffer such irreparable harm.

#### **COUNT 4 – CANCELLATION OF DEFENDANT'S TRADEMARK APPLICATIONS**

44. Plaintiff hereby incorporates the allegations contained in paragraphs 1 through 43 above as though fully set forth herein.

45. Defendant has applied for a US trademark registration for the mark ZANY BANDZ. (Serial Number 85061425)

46. In the process of making this application it has ignored Plaintiff's mark rights in SILLY BANDZ even though it clearly had knowledge of it.

47. Likewise the Defendant has made false statements to the PTO in the obtaining or effort to obtain this registration. This Fraud upon the PTO as well as other factors including Plaintiff's prior mark rights and the dilution being caused, prohibit Defendant from obtaining a registration.

48. Defendant's planned and existing use of the mark creates not just a

likelihood of confusion, but actual and substantial consumer confusion, as to the sources of the respective goods and services of the Plaintiff and Defendant.

49. This Court has authority to determine the right to registration of a trademark and order its cancellation under Section 37 of the Lanham Act, 15 U.S.C. §1119 and 15 U.S.C. § 1064.

50. Plaintiff is entitled to pre-empt the USPTO ruling on Defendant's trademark application and either stay the USPTO registration proceeding or have it decided by this court.

51. Based upon the foregoing Plaintiff seeks a stay of the PTO proceeding until the case *sub judice* is resolved.

52. Plaintiff, as first user of the SILLY BANDZ mark, therefore seeks a stay of the registration action serial number 85061425 until this matter is resolved and the cancellation of Defendants U.S. Trademark Applications after this action is final pursuant to the Court's authority under 15 U.S.C. §1119 and 15 U.S.C. § 1064.

#### **COUNT 5 – DILUTION UNDER OHIO LAW**

53. Plaintiff hereby incorporates the allegations contained in paragraphs 1 through 52 above as though fully set forth herein.

54. Defendant's use of the confusingly similar ZANY BANDZ mark and the identical "Collect 'em, Trade 'em, Wear 'em." mark operate to whittle away and disperse in the mind of the public the unique identity of the Plaintiff's marks.

55. The SILLY BANDZ and "Collect 'em, Trade 'em, Wear 'em" marks are distinctive and strong marks.

56. Defendant's use of a confusingly similar trademarks and domain name and website have diluted the strength of the Plaintiff's mark by blurring and diminishment.

57. Defendants' actions have appropriated and exploited the Plaintiff's mark.

58. The Defendant's marks are substantially similar marks or identical to Plaintiff's marks.

59. As a direct and proximate result of the actions of Defendant, Plaintiff has been damaged in an amount to be proven at trial and is entitled to recovery of actual

damages, and punitive damages. Plaintiff further seeks a preliminary and permanent injunction stopping the Defendant from using the infringing marks, and attorneys fees and the costs of this action.

**COUNT 7 – DECEPTIVE TRADE PRACTICES R.C. 4165.02**

60. Plaintiff hereby incorporates the allegations contained in paragraphs 1 through 59 above as though fully set forth herein.

61. Defendant has engaged in a deceptive trade practice as it has, in the course of the its business, it has:

62. Passed off goods or services as those of another.

63. Caused a likelihood of confusion or initial interest confusion, or misunderstanding as to the source, sponsorship, approval, or certification of its goods (ZanyBandz).

64. Represented that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that the person does not have.

65. Represented that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another.

66. Disparaged the goods, services, or business of another by false representation of fact.

67. As a result of Defendant's violation of R.C. 4165.02, Plaintiff is entitled to damages and injunctive relief pursuant to R.C. 4165.03.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff demands judgment and relief against Defendants and respectfully requests that this Court:

- A. Enter judgment for Plaintiff on all Counts of the Complaint;
- B. Find that Defendants have engaged in unfair competition in violation of 15

USC § 1116, 1125(a) and 1125(c);

C. Due to the irreparable harm being caused by the Defendant that it be preliminarily and permanently enjoined, restrained and forbidden, and all of Defendants' principals, servants, officers, directors, partners, agents, representatives, shareholders, employees, affiliates, successors and assignees and all others acting in privity, concert or participation with Defendants, from:

(i). using any false designation of origin or false description or statements which can or is likely to lead the trade or public, or individual members thereof, to mistakenly believe that any product advertised, promoted, offered or sold by Defendants is sponsored, endorsed, connected with, approved by, or authorized by Plaintiff;

(ii). assisting, aiding or abetting another person or business entity in engaging or performing any of the activities enumerated in sub-paragraph (i) above;

D. Pursuant to 15 USC § 1118 (§ 36 of the Lanham Act), enter an order requiring Defendants and all of its principals, servants, officers, directors, partners, agents, representatives, shareholders, employees, affiliates, successors, assignees and all others acting in privity, concert or participation with Defendants, who receive actual notice of said order, to deliver up all goods and products, signs, articles, items, and promotional, advertising, and any other printed materials of any kind bearing on Plaintiff's trademarks or other confusingly similar marks to the Court for destruction;

E. Pursuant to 15 USC § 1117(a), (§ 35 of the Lanham Act), award Plaintiff in excess of \$75,000, including, but not limited to, (1) the Defendants' profits, (2) any damages sustained by the Plaintiff, and (3) the costs of the action plus interest as a result of Defendants' infringements and unfair competition;

F. Pursuant to 15 USC § 1117(a), find that this is an exceptional case and award Plaintiff reasonable attorneys' fees;

G. Pursuant to 15 USC § 1117(b), award the Plaintiff three times the amount of actual damages or profits by virtue of the willful nature of the Defendants' acts.

H. Order an accounting by Defendants of any profits derived in any way from Defendants' wrongful acts.

I. Award such other and additional relief, at law or equity, as may be warranted

by Plaintiff's claims as set forth above, or as amended at a later time, by the the facts and the law determined to apply in this matter.

Respectfully submitted,

/s/ Anthony J. DeGidio  
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**JURY DEMAND**

Plaintiff hereby demands trial by jury on all issues triable to a jury.

/s/ Anthony DeGidio  
Anthony J. DeGidio Esq. (0069064)  
Attorney for Plaintiff