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

Mailed: January 10, 2012

Opposition No. **91197762**

Embarcadero Technologies, Inc.

v.

Delphix Corp.

Ann Linnehan, Attorney

This case now comes up for consideration of opposer's motion (filed April 18, 2011) to strike all four of applicant's affirmative defenses in the amended answer.[1] The motion is fully briefed.

The following affirmative defenses are at issue:

> [1] Pursuant to Federal Rule of Civil Procedure 8 and 84 and Form 30, Opposer fails to state a claim upon which relief can be granted. Opposer's deficiencies include: (1) the failure to include all indispensable parties, such as the purported owner of the DELPHI mark, Codegear, LLC; (2) the failure to establish a likelihood of confusion between the DELPHI and DELPHIX marks; and (3) Opposer's lack of standing.
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> [2] Opposer's claims are barred, in whole or in part, by the doctrine of acquiescence. Specifically, on information and belief, Opposer's actions establish its assent to the Applicant's registration of U.S. Trademark Application Serial No. 77/944,256. On information and belief said actions include Opposer [sic] consent to the parties' substantial coexistence without any confusion and Applicant's Registration No. 3,768,914 for the DELPHIX mark, which furthered Applicant's activities in connection with U.S.

[1] The amended answer was filed on March 22, 2011.

> Trademark Application Serial No. 77/944,256 and the DELPHIX mark.
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> [3] Opposer's claims are barred, in whole or in part, by the doctrine of laches. Specifically, on information and belief, Opposer has unreasonably delayed in asserting any claimed rights against Applicant causing material prejudice due to that delay. On information and belief, this unreasonable delay and prejudice includes the parties' substantial co-existence without any confusion or challenge by Opposer as well as Opposer's failure to oppose Applicant's Registration No. 3,768,914 for the DELPHIX mark.
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> [4] Opposer's claims are barred, in whole or in part, by the doctrine of equitable estoppel. Equitable estoppel "is not limited to a particular factual situation nor subject to resolution by simple or hard and fast rules" *A.C. Aukerman v. R.L. Chaides Construction Co.*, 960 F.2d 1020 (Fed. Cir. 1992). Nevertheless, Applicant has relied upon Opposer's misleading conduct including its delay in asserting any claimed rights and on information belief [sic] Opposer's consent to the parties' substantial co-existence without any confusion and Applicant's Registration No. 3,768,914 for the DELPHIX mark, which furthered Applicant's activities in connection with U.S. Trademark Application Serial No. 77/944,256 and the DELPHIX mark, and thereby materially prejudiced Applicant.

In support of its motion, opposer contends that applicant's affirmative defenses as pleaded "are legally insufficient and improper as a matter of law." Opposer further states that although the claimed affirmative defenses in applicant's amended answer provide more detail than the original conclusory affirmative defenses, each affirmative defense is still either improperly pleaded or inappropriate for the instant opposition proceeding and should be stricken.

The Board may, upon motion or by its own initiative, order stricken from a pleading any insufficient defense or any redundant, immaterial, impertinent, or scandalous matter. See Fed. R. Civ. P. 12(f). Motions to strike are not favored, and matter will not be stricken unless it clearly has no bearing upon the issues under litigation. See, e.g., *FRA S.p.A. v. Surg-O-Flex of America, Inc.*, 194 USPQ 42, 46 (SDNY 1976); *Leon Shaffer Golnick Advertising, Inc. v. William G. Pendil Marketing Co., Inc.*, 177 USPQ 401, 402 (TTAB 1977).

With regard to applicant's affirmative defense no. 1 that the notice of opposition fails to state a claim specifically because of opposer's lack of standing and opposer's failure to establish a likelihood of confusion, the question to be determined is whether the notice of opposition does indeed set forth facts which, if proved, would entitle opposer to the relief it is seeking.[2] Upon careful review of the notice of opposition, we find that opposer has set forth sufficient allegations to establish, if proven, that opposer has standing to bring this proceeding and to support a pleading of likelihood of confusion under Section 2(d) of the Trademark Act. With

[2] A plaintiff may utilize the defendant's assertion of failure to state a claim to test the sufficiency of its pleading by moving under Rule 12(f) of the Federal Rules of Civil Procedure to strike this defense from the answer. *S.C. Johnson & Sons, Inc. v. GAF.*, 177 USPQ 720 (TTAB 1973).

regard to applicant's specific assertion that opposer has failed to include all indispensable parties, such as the purported owner of the DELPHI mark, Codegear, LLC, we find that because opposer has alleged that it is also the owner of the pleaded registration through a wholly owned subsidiary, opposer has alleged a sufficient interest in this proceeding for us to conclude that the notice of opposition contains an acceptable assertion of opposer's standing. Therefore, the inclusion of the owner of record, Codegear, LLC, is not required. Applicant's defense of failure to state a claim is, therefore, without merit and will be stricken.

With regard to applicant's second affirmative defense and third affirmative defense concerning acquiescence and laches, the Board notes that generally acquiescence and laches are unavailable in an opposition proceeding. These defenses start to run from the time of knowledge of the application for registration (that is, from the time the mark is published for opposition), not from the time of knowledge of use. See TBMP Section 311.02(b) (3d ed 2011) and cases cited therein. However, there are certain exceptions. For example, if the defendant already owns a registration for essentially the same mark for essentially the same goods or services, acquiescence and laches may be deemed to run from the time action could be taken against

the prior registration. See *Morehouse Mfg. Corp. v. J. Strickland & Co.*, 407 F.2d 881, 56 C.C.P.A. 946, 160 USPQ 715 (CCPA 1969). After carefully reviewing applicant's second and third affirmative defenses, we find that such defenses are based on the *Morehouse* defense, are properly pled, and need not be stricken.

With regard to applicant's fourth affirmative defense based on equitable estoppel, the Board finds that applicant has sufficiently pled such a defense and, therefore, it will not be stricken.

In view thereof, opposer's motion to strike is granted with respect to the first affirmative defense and denied with respect to the second, third, and fourth affirmative defenses.

Proceedings herein are resumed. Dates are reset as follows:

Deadline for Discovery Conference	**2/10/2012**
Discovery Opens	**2/10/2012**
Initial Disclosures Due	**3/11/2012**
Expert Disclosures Due	**7/9/2012**
Discovery Closes	**8/8/2012**
Plaintiff's Pretrial Disclosures	**9/22/2012**
Plaintiff's 30-day Trial Period Ends	**11/6/2012**
Defendant's Pretrial Disclosures	**11/21/2012**
Defendant's 30-day Trial Period Ends	**1/5/2013**
Plaintiff's Rebuttal Disclosures	**1/20/2013**
Plaintiff's 15-day Rebuttal Period Ends	**2/19/2013**

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after

completion of the taking of testimony. Trademark Rule 2.l25.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.l29.