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

Proceeding	91203192
Party	Plaintiff Beats Electronics, LLC
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Submission	Answer to Counterclaim
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Signature	/Luis M. Lozada/
Date	03/02/2012
Attachments	Beats v Merkury Answer to Counterclaims.pdf (6 pages)(177130 bytes)

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

In the Matter of:
Application Serial No. 85/203,076
Published in the *Official Gazette*
September 6, 2011

BEATS ELECTRONICS, LLC,	)	
	)	
Opposer,	)	
	)	
v.	)	Opposition No. 91203192
	)	
MERKURY INNOVATIONS, LLC ,	)	
	)	
Applicant.	)	

OPPOSER'S ANSWER TO COUNTERCLAIMS

Opposer/Counterclaim Respondent Beats Electronics, LLC ("Beats"), answers Applicant/Counterclaim Petitioner Merkury Innovations, LLC's ("Merkury") Counterclaims as follows:

1. Merkury is a New York limited liability company having a place of business at 180 Maiden Lane, 28th Floor, New York, New York 10038.

ANSWER: Beats lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 1, and, accordingly, denies the same.

2. On or about December 29, 2011, BE commenced the instant Opposition (the "Opposition") seeking to prevent registration of Merkury's Application Serial No. 85/203,076 for the mark URBAN BEATZ for headphones ("Merkury's Mark").

ANSWER: Admitted.

3. In the Opposition, BE asserted, among others, three Registrations for the mark BEATS (the "Subject Mark"), namely: (1) U.S. Trademark Registration No. 3,532,627 for audio equipment, namely, headphones registered November 11, 2008; (2) U.S. Trademark Registration No. 3,862,142 for headphones registered October 12, 2010; and (3) U.S. Trademark Registration No. 4,035,777 for audio speakers; loudspeakers registered October 4, 2011, 48,763 (collectively, the "Subject Registrations"). Specifically, BE alleged that Merkury's Mark should be denied registration since confusion is likely between Merkury's Mark and BE's marks.

ANSWER: Admitted.

4. Merkury has standing to bring the instant Counterclaims to cancel the Subject Registrations since BE has asserted the Subject Registrations against Merkury in the Opposition. See T.B.M.P. § 309.03(b) ("a counterclaimant's standing to cancel a pleaded registration is inherent in its position as defendant in the original proceeding.").

ANSWER: Admitted.

COUNT I – DESCRIPTIVENESS

5. Merkury incorporates each and every allegation of the preceding paragraphs as though fully set forth herein.

ANSWER: Beats incorporates each and every answer to the preceding paragraphs as though fully set forth herein.

6. The Subject Registrations should be canceled pursuant to 15 U.S.C. § 1052(e)(1) since the Subject Mark is merely descriptive of the headphones, audio speakers and loud speakers covered by the Subject Registrations.

ANSWER: Denied.

7. In particular, headphones are typically used to listen to music, and beats are the underlying pulsation of music. Thus, "beats" immediately describes the sound heard through headphones.

ANSWER: Denied.

8. Similarly, audio speakers and loudspeakers are typically used to listen to music, and beats are the underlying pulsation of music. Thus, "beats" immediately describes the sound heard through audio speakers and loudspeakers.

ANSWER: Denied.

9. During prosecution before the Patent and Trademark Office of the Subject Registrations, BE did not allege that the Subject Mark has acquired secondary meaning.

ANSWER: Admitted.

10. For at least the reasons stated herein, the continued registration of the Subject Registrations would in all likelihood be damaging to Merkury.

ANSWER: Denied.

COUNT II - DUPLICATE REGISTRATION

11. Merkury incorporates each and every allegation of the preceding paragraphs into these counterclaims as though fully set forth herein. BE owns U.S. Trademark Registration No. 3,532,627 for the mark BEATS for audio equipment, namely, headphones (the "'627 Registration").

ANSWER: Beats incorporates each and every answer to the preceding paragraphs as though fully set forth herein. Beats admits that it owns U.S. Trademark Registration No.

3,532,627 for the mark Beats for audio equipment, namely, headphones (the "'627 Registration").

12. BE owns U.S. Trademark Registration No. 3,862,142 for the mark BEATS for headphones (the "'142 Registration").

ANSWER: Admitted.

13. Headphones are, by definition, audio equipment.

ANSWER: Denied.

14. Accordingly, the 627 Registration and the '142 Registration cover the same mark for the same goods.

ANSWER: Denied.

15. Under the Trademark Rules, the Trademark Office should deny registration of a mark where registration would result in duplicate marks. 37 C.F.R. § 2.48 ("If two applications on the same register would result in registrations that are exact duplicates, the Office will permit only one application to mature into registration, and will refuse registration in the other application.").

ANSWER: Admitted.

16. Based on the foregoing, the Trademark Office should have refused registration of the later filed Registration, i.e., the '142 Registration.

ANSWER: Denied.

17. Accordingly, the '142 Registration should be canceled as a duplicate mark.

ANSWER: Denied.

Dated: March 2, 2012

NEAL, GERBER & EISENBERG LLP

By: Luis M. Lozada
Michael G. Kelber
Luis M. Lozada
Attorneys for Opposer BEATS ELECTRONICS, LLC

CERTIFICATE OF TRANSMISSION

I, Luis M. Lozada, hereby certify that the foregoing ***Opposer's Answer To Counterclaims*** is being electronically transmitted via the Electronic System for Trademark Trials and Appeals ("ESTTA") at http://estta.uspto.gov/ on the date noted below:

Date: March 2, 2012

By: / Luis M. Lozada/
One of the Attorneys for Beats Electronics, LLC

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CERTIFICATE OF SERVICE

I, Luis M. Lozada, state that I served a copy of the foregoing ***Opposer's Answer To Counterclaims***, via first class U.S. mail, postage pre-paid, upon Applicant:

Anthony F. Lo Cicero
Holly Pekowsky
AMSTER, ROTHSTEIN & EBENSTEIN LLP
90 Park Avenue
New York, NY 10016

in accordance with Trademark Rule §§ 2.201 and 2.119 on this 2nd day of March, 2012.

/ Luis M. Lozada /