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

Proceeding	91204057
Party	Plaintiff Activision Publishing, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

ACTIVISION PUBLISHING, INC.,	)	
	)	
Opposer	)	
	)	
v.	)	Opposition No. 91204057
	)	App. No. 85145554
KABAM, INC.	)	Mark: GLOBAL WARFARE
	)	
Applicant	)	

OPPOSER'S REPLY BRIEF IN SUPPORT OF
OPPOSER'S MOTION TO STRIKE APPLICANT'S AFFIRMATIVE DEFENSES

Opposer submits this reply brief in further support of its motion to strike Applicant's affirmative defenses. Applicant's opposing brief does not even mention, much less support, its affirmative defenses identified as nos. 3 and 4 which were addressed in Opposer's opening brief. Thus, Applicant concedes that those defenses were improperly pleaded and should be stricken. Applicant's arguments regarding acquiescence and unclean hands are also unavailing, as discussed below.

Applicant argues that Opposer's motion to strike is merely a "tactic" to "hamstring" discovery (Mem. p.2). Fundamentally, Applicant misunderstands Opposer's motion. If the motion is granted, this would not necessarily preclude assertion of the affirmative defenses later in the case; Applicant would be permitted to re-plead the defenses provided that it offers some supporting facts that give sufficient notice. Indeed, pleading a defense that gives sufficient notice of its nature facilitates discovery by providing a reasonable scope. Otherwise, one must infer that Applicant has no basis for

its affirmative defenses and intends to use discovery as a fishing expedition in the hope of churning up something useful to support its case.

The Defense of Acquiescence Must be Stricken

As Applicant points out, acquiescence denotes "active consent" on behalf of a plaintiff (Mem at p.3, citing *Coach House Restaurant, Inc. v. Coach & Six Restaurants, Inc.*, 934 F.2d 1551m 1558 (11th Cir. 1991)). Active consent involves conduct amounting to an express or implied assurance by the plaintiff to the defendant that the former would not assert its trademark rights against the latter. *Id.* Clearly, Applicant, as a defendant in the case at hand, must have perceived those acts that allegedly gave rise to such an express or implied assurance. Thus, at minimum, Applicant should not need discovery to indicate with sufficient facts the acts by Opposer that Applicant perceives as a form of active consent.

> Further on this issue, the Restatement provides the following:
>
> Consent has been inferred from business proposals and transactions between the parties, [citations omitted], the discontinuance of litigation, [citation omitted], and letters of encouragement or good wishes from the trademark owner, [citations omitted].

Restatement Third, Unfair Competition § 29, cmt. c (1995). The foregoing acts are examples illustrating the "active" component on the trademark owner's behalf that is the hallmark of acquiescence. The element of consent by the trademark owner should not be manufactured after the fact; that is, after the defendant conducts overbroad discovery in a hunt for some act that can be later characterized as consent. Applicant clearly argues that "[Opposer] has engaged in conduct that induced Applicant to select its mark." (Mem. p. 4.) If so, Applicant should be held to plead, even at this early stage of the case, some supporting facts to identify the conduct by Opposer that Applicant has perceived as

giving rise to the requisite consent. *Cf. Hitachi Metals Int'l, Ltd. v. Yamakyu Chain K.K.*, 209 USPQ 1057, 1059 (TTAB 1981) (detailed pleading of acquiescence).Otherwise, the defense must be stricken.

In its opening brief, Opposer noted that acquiescence was not an available defense with respect to descriptiveness. This point was made precisely because Applicant's unsupported allegation of acquiescence could have been mistakenly directed to Opposer's pleading of descriptiveness. If Applicant's defense properly provides supporting facts, the nature of this defense can be understood and separated from the issue of descriptiveness.

The Defense of Unclean Hands Must be Stricken

With regard to the defense of unclean hands, Applicant believes this defense is "a case of trademark bullying." (Mem. p. 5.) Applicant cites no support for the notion that "trademark bullying" is a form of unclean hands. Properly speaking, if the defense is predicated on alleged bullying, it should be referred to in the pleadings as "litigation tactics." *See* Secretary of Commerce Report to Congress Trademark Litigation Tactics p. 15 n. 51 (April 2011)(available at uspto.gov/trademarks/notices/notices_comments). Regardless, inasmuch as Applicant fails even in its brief to articulate a legitimate basis for an unclean hands defense, that defense must be stricken. *See San Francisco Baseball Associates L.P. v. Gogo Sports, Inc.*, Opp. No. 91203112, pp. 5-6 (March 2, 2012 TTAB) (Board struck the applicant's pleading since it "has failed to set forth any allegations of conduct on the part of opposer that would constitute unclean hands."; copy of opinion attached to opening brief). *Cf. Kellogg North America Co. v. Malt-O-Meal Co.*, Answer to Notice of Opposition filed November 2, 2010 (¶¶ 5-9 with detailed pleading of

"bullying"). If Applicant intends to proceed with such a defense, it again must be required to plead any supporting facts rather than rest merely on reciting a conclusory label. *San Francisco Baseball, supra* at 5.

In view of the foregoing, Opposer's motion to strike Applicant's affirmative defenses 1 through 4 should be granted.

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Certificate of Service

This is to certify that a copy of the foregoing was served this 22nd day of August 2012 by email and first-class mail, postage prepaid, on the following as Applicant's attorney of record:

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