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

Proceeding	91205048
Party	Defendant Danny K. Choi
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Case: BESTM-007M

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**  
**BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**  
**IN RE SERIAL NO. 85/451,415**

Habitat for Humanity International, Inc.,	)	Opposition No.: 91205048
	)	
Opposer,	)	
	)	
vs.	)	
	)	
Danny K. Choi, and Melinda A. Choi,	)	
	)	
Applicants.	)	
<hr style="width: 45%; margin-left: 0;"/>	)	

**APPLICANTS' OPPOSITION TO OPPOSER'S**  
**MOTION TO STRIKE CERTAIN AFFIRMATIVE DEFENSES**

Applicants, Danny K. Choi, and Melinda A. Choi ("Applicants"), the owners of United States Trademark Application Serial No. **85/451,415** for the mark "SWIPEFORHUMANITY" hereby respond to the Motion to Strike Certain of Applicant's Affirmative Defenses filed in this proceeding by Habitat for Humanity International, Inc. ("Opposer").

The Opposer's Motion to Strike Certain Affirmative Defenses (the "Motion") is fatally flawed and should be denied. The Opposer has failed to meet the substantial burden necessary to grant its motion to strike – to establish both that the challenged affirmative defenses are wholly unrelated to any of the facts framed by the pleadings, and that Opposer will suffer unfair prejudice by reason of the affirmative defenses at issue.

As discussed more fully herein, the Opposer cannot satisfy this standard and the Motion should be denied.

### **ARGUMENT**

Opposer has not and cannot meet its substantial burden to prevail in striking the identified affirmative defenses (the "Affirmative Defenses"). As established below, the Affirmative Defenses are entirely appropriate under Federal Rule of Civil Procedure 8(c), are sufficiently pled to put Opposer's counsel on notice of the nature of Applicants' asserted defenses, and are related to the issues in this proceeding, as framed by the parties' pleadings. Moreover, even if the Opposer could establish that one or more of the Affirmative Defenses is not related to the Opposer's claims, the Opposer has not established that it will suffer the requisite prejudice necessary to succeed on their Motion.

#### **A. MOTIONS TO STRIKE AFFIRMATIVE DEFENSES ARE HIGHLY DISFAVORED**

Pursuant to Federal Rule of Civil Procedure 12(f), a court "may order stricken from any pleading any insufficient defense or any redundant, immaterial, impertinent or scandalous matter." *See, Fed. R. Civ. Pro. 12(f)*. However, because striking a portion of a pleading is a drastic remedy, and because it is often sought by the movant simply as a dilatory tactic, motions under Rule 12(f) are viewed with disfavor and are infrequently granted. *FRA S.p.A., et al. v. Surgo-O-Flex of America, Inc., et al.*, 194 U.S.P.Q. 42 (S.D.N.Y. 1976); *See also*, Charles Allen Wright & Arthur. R. Miller, *Federal Practice and Procedure*: § 1380 (3 ed. 2004), at 394-396, and § 1381 at 421-422. Matter will not be stricken unless it clearly has no bearing upon the issues under litigation. *Harsco Corporation v. Electrical Sciences, Inc.*, 9 U.S.P.Q. 2d 1570, 1571 (TTAB 1988); TBMP

Rule 506.01. This remedy should only be used when the interest of justice so requires. *Id.* Thus, even when appropriate and well-founded, a motion to strike is generally not granted in the absence of a showing of prejudice to the moving party. *FRA S.p.A v. Surg-O-Flex*, 194 U.S.P.Q at 46; *See also*, TBMP § 506.01.

Courts have further stated that motions to strike affirmative defenses are not to be granted "unless it appears to a certainty that plaintiffs would succeed despite *any* state of the facts which could be proved in support of the defense." *Glenside West Corp. v. Exxon Co.*, 761 F. Supp. 1100, 1114 (D.N.J. 1991) (emphasis added). Moreover, in evaluating a motion to strike affirmative defenses, courts generally follow a lenient procedural standard. *Williams v. Jader Fuel Co., Inc.*, 944 F.2d 1388, 1400 (7th Cir. 1991). The primary purpose of an Answer is to give fair notice to the Opposer of Applicants' defenses. TBMP Rule 311.02. Applicants' assertion of affirmative defenses that serve to amplify's denial of Opposer's claims are proper. *Textron, Inc. v. Gillette Co.*, 180 U.S.P.Q. 152, 153 (T.T.A.B. 1973). Therefore, a motion to strike is granted only "when a defense is legally insufficient under any set of facts which may be inferred from the allegations of the pleading." *Glenside West Corp.*, 761 F. Supp. at 1115. Even where the facts are not in dispute, Rule 12(f) is not meant to afford an opportunity to determine disputed and substantial questions of law. *Id.*

In order to succeed on a motion to strike an affirmative defense from an answer, it must be shown that the allegations being challenged are so unrelated to the Opposer's claim as to be unworthy of any consideration as a defense and that their presence in the pleading throughout the proceeding will cause unfair prejudice to the moving party. As the Board has recognized, matter will not be stricken from a pleading unless it is clear

that it can have no possible bearing upon the subject matter of the litigation and that its inclusion will prejudice the moving party. *Harsco Corporation*, 9 U.S.P.Q.2d at 1571. A defense will not be stricken as insufficient if the insufficiency is not clearly apparent or if it raises factual issues that should be determined on the merits. *Wright & Miller*, supra at 1381, *FDIC v. Niblo*, 821 F.Supp. 441, 449 (N.D. Tex. 1993). Accordingly to succeed on their Motion, the Opposer must meet the substantial burden of establishing that Applicants' affirmative defenses are utterly unrelated to any claim at issue, that allowing the defenses to remain in this proceeding unfairly prejudice Opposer, and that there are no potential questions of law or fact.. Opposer has not succeeded in meeting this burden.

**B. THE CHALLENGED AFFIRMATIVE DEFENSES ARE PROPER AND RELATED TO THE OPPOSER'S CLAIMS**

**1. Applicants' Affirmative Defenses of Failure to State a Claim, Estoppel, Acquiescence, No Damage, Waiver, Laches, Unclean Hands, Conduct Lawful and Privileged, No Likelihood of Confusion, Fair Use, and Fraud are Properly Pled**

Opposer states in their Motion that Applicants' Affirmative Defenses of Failure to State a Claim, Estoppel, Acquiescence, No Damage, Waiver, Laches, Unclean Hands, Conduct Lawful and Privileged, No Likelihood of Confusion, Fair Use, and Fraud are insufficiently pled and should be stricken from its Answer.

The Federal Rules of Civil Procedure require that a party set forth its affirmative defenses including a simple, concise statement. F.R.C.P. 8(c) and 8(e). The primary purpose of the pleadings, under the Federal Rules of Civil Procedure, is to give fair notice of the claims or defenses asserted. *Ohio State University and Ohio University*, 51 U.S.P.Q.2d 1289, 1292 (T.T.A.B. 1999). Though it is denied that the Applicants' affirmative defenses as pled in the matter *sub judice* are in any way objectionable, the

Board in its discretion may decline to strike objectionable pleadings where their inclusion will not prejudice the adverse party, but rather will provide fuller notice of the basis for a claim or defense. *Harsco Corp. v. Electrical Sciences Inc.*, 9 U.S.P.Q.2d at 1571.

With the exception of Applicants' fraud claim, the Affirmative Defenses objected to by the Opposer are not subject to a heightened standard of pleading, such as the standard of Federal Rule of Civil Procedure 9(b). Further, the permissive treatment of affirmative defenses by both the Board and the Courts insures that litigants will not be prevented from asserting all available defenses, which would otherwise be waived. Notice pleading pursuant to Federal Rule of Civil Procedure 8 is sufficient, and the grounds set forth by Applicants provide Opposer with as much notice as the rules require. To be sure, if Applicants had not raised the challenged allegations in its defenses, Opposer would argue that Applicants was barred from asserting those defenses.

Based on Applicants' denials to the charges and allegations in Opposer's Notice of Opposition, there are questions of fact and law concerning on what goods and/or services Opposer has used its "Habitat for Humanity" mark, the duration of such usage, whether it was continuous, exclusive, and uninterrupted, whether Opposer's "Habitat for Humanity" mark is distinctive and has acquired secondary meaning, the extent to which Opposer has advertised and promoted its "Habitat for Humanity" mark, the extent to which Opposer's Mark is famous, and whether Applicants' Mark is confusingly similar to Opposer's "Habitat for Humanity" Mark. (See ¶¶3-11 in Opposer's Notice of Opposition, and Applicants' Answer thereto.) Applicants' Affirmative Defenses based on Failure to State a Claim, Estoppel, Acquiescence, No Damage, Waiver, Laches, Unclean Hands, Conduct Lawful and Privileged, No Likelihood of Confusion, Fair Use,

and Fraud are all related directly or inferentially to these mixed questions of law and fact. Given these issues, striking Applicant's Affirmative Defenses would be inappropriate. *Cynergy Ergonomics, Inc. v. Ergonomic Partners, Inc.*, 2008 U.S. Dist. LEXIS 70995, 8-9 (E.D. Missouri 2008) (a heightened pleading requirement for a laches defense is "incongruous with the concept of notice pleading, as well as the instruction that pleadings 'must be construed so as to do justice.'")

Accordingly, the Opposer's Motion should be denied as to the Applicants' Affirmative Defenses of Failure to State a Claim, Estoppel, Acquiescence, No Damage, Waiver, Laches, Unclean Hands, Conduct Lawful and Privileged, No Likelihood of Confusion, Fair Use, and Fraud, as the sufficiency of these defenses should be tested on motion for summary judgment.

**2. Applicants' Affirmative Defenses of No Damage and No Likelihood of Confusion Amplify Applicants' Denial of Opposer's Claims**

Turning to Applicants' Third Affirmative Defense that Opposer will not be damaged by the registration of Applicants' "SwipeforHumanity" mark and the Eighth Affirmative Defense that there exists no likelihood of confusion between the marks at issue, these assertions set forth allegations in the nature of arguments supporting Applicants' denials of Opposer's claims, and thus amplify such denials. Such amplifications of denials are permitted because they serve to give the Opposer fuller notice of the position Applicants plan to take in defense of their rights to registration. *Humana, Inc. v. Humanomics, Inc.*, 3 USPQ2d 1696, 1697 n. 5 (TTAB 1987); *The Maytag Co. v. Luskins, Inc.*, 228 USPQ 747, 747 n. 3 (TTAB 1986). Moreover, Opposer has not and cannot make any showing of prejudice in allowing these assertions.

Accordingly, the Opposer's Motion to Strike Applicants' Third and Eighth Affirmative Defenses should be denied.

**3. Applicants' Affirmative Defenses of Fraud and Unclean Hands Provide a Factual Basis to Give Adequate Notice to Opposer**

Applicants' tenth Affirmative Defense reads as follows: "Opposer's claims are barred by the Doctrine of Fraud on the United States Patent and Trademark Office for failing to disclose that the word Humanity is in wide use by third parties in relation to financial and electronic transaction services for supporting charitable contributions and donations and is generic and/or descriptive for the same."

Applicants' sixth Affirmative Defense asserts the unclean hands defense.

It is true that Fed. R. Civ. P. 9(b) imposes a heightened standard of pleading allegations based on fraud. However, Opposer's suggestion that Applicants' tenth Affirmative Defense does not provide an adequate factual basis to put Opposer on notice of Applicants' claims is disingenuous.

Applicants assert that Opposer failed to disclose the use of the word "Humanity" by others during the review of their trademark application by the Trademark Office, which uses would have been material to the procurement of the "Habitat for Humanity" registration because they were for the same or substantially identical services for which Opposer eventually did secure registration. As the extent of use by third parties of the term "Humanity" is alleged to be so common for such services as to be generic and/or descriptive, Applicants' defense implies that Opposer had to be aware of such facts. Accordingly, Opposer's failure to disclose this information to the Trademark Office was intentionally done to narrow the scope of prosecution history review by the examiner of the "Habitat for Humanity" application, thereby resulting in the issuance of a registration

to which it was not otherwise entitled.

As discussed below, at minimum Applicants should be given leave to amend their pleadings if the Board finds that the sixth and tenth Affirmative Defenses have not been adequately pled.

**C. APPLICANTS SHOULD BE GIVEN LEAVE TO AMEND THEIR PLEADINGS**

A party may amend its pleading by leave of the Board and leave must be freely given when justice so requires. See, Fed. R. Civ. P. 15(a). The Board liberally grants leave to amend the pleadings at any stage of a proceeding when justice so requires, unless entry of the proposed amendment would violate settled law or be prejudicial to the rights of the adverse party. *Boral Ltd. v. FMC Corp.*, 59 U.S.P.Q. 1701 (TTAB 2001). It is noteworthy that both the *Reis Robotics USA, Inc.* and *Software Publishers Association* opinions cited by Opposer granted the movant's motion to strike *without prejudice*, thereby allowing respondent leave to file an amended answer. *Reis Robotics, Inc.*, 462 F. Supp. 2d at 907; *Software Publishers Association*, 2007 U.S. Dist. LEXIS at 7.

To the extent the Board finds that Applicants' affirmative defenses are not pled with requisite particularity, the Applicants request the Board for leave to amend these defenses.

**D. OPPOSER HAS NOT ESTABLISHED THE REQUISITE PREJUDICE FROM THE AFFIRMATIVE DEFENSES**

Even if Opposer could establish that any of Applicants' Affirmative Defenses suffer from a procedural defect, Opposer cannot establish any prejudice resulting from

the defenses. Opposer has set forth no basis to support a showing that allowing any of Applicants' Affirmative Defenses will result in any prejudice to Opposer.

**CONCLUSION**

The Applicants ask that the Board deny Opposer's Motion to Strike Certain Affirmative Defenses from Applicants' Answer.

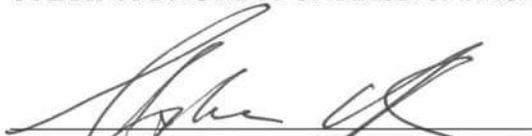
Alternatively, to the extent that this Board concludes that Applicants have not satisfied applicable pleading requirements regarding any of its Affirmative Defenses, Applicants request the Board for leave to amend and replead those Affirmative Defenses.

To the extent any portion of Applicants' Affirmative Defenses are stricken, Applicants ask that they should be without prejudice to replead those defenses when additional facts become available.

Respectfully submitted,

STETINA BRUNDA GARRED & BRUCKER

Dated: 7-16-12



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**PROOF OF SERVICE**

State of California    )  
                                  ) ss.  
County of Orange     )

I am over the age of 18 and not a party to the within action; my business address is 75 Enterprise, Suite 250, Aliso Viejo, California 92656. On **July 16, 2012**, the attached **APPLICANT’S OPPOSITION TO OPPOSER’S MOTION TO STRIKE CERTAIN AFFIRMATIVE DEFENSES** was served on all interested parties in this action by U.S. Mail, postage prepaid, at the address as follows:

Samantha L. Hayes  
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Executed on **July 16, 2012** at Aliso Viejo, California. I declare under penalty of perjury that the above is true and correct. I declare that I am employed in the office of STETINA BRUNDA GARRED & BRUCKER at whose direction service was made.

  
\_\_\_\_\_  
Tara Hamilton