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

Proceeding	91207298
Party	Plaintiff Beats Electronics, LLC
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Submission	Motion to Strike
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Attachments	Motion_to_Strike_Affirmative_Defenses_-_ONE_BEAT.pdf(20738 bytes)

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

BEATS ELECTRONICS, LLC,)	
)	
Opposer,)	
)	
v.)	Opposition No. 91207298
)	
ONE BEAT HOLDINGS, INC.,)	
)	
Applicant.)	

OPPOSER’S MOTION TO STRIKE AFFIRMATIVE DEFENSES

Opposer Beats Electronics, LLC (“Beats”), pursuant to Federal Rule of Civil Procedure 12(f) and TBMP §506, hereby moves this Board for an order striking Applicant’s Affirmative Defenses, each of which is fatally flawed and serves only to confuse the issues in the case and unnecessarily increase the expense of discovery. In support of this motion, Beats states as follows:

1. On October 3, 2012, Beats initiated this proceeding against Applicant, opposing Applicant’s U.S. App. No. 85/446,560 for the mark “ONE BEAT” for use in connection with “Television broadcasting; Cable television broadcasting; Satellite television broadcasting; Streaming of multimedia material via a computer network; Video on demand transmission services” in International Class 38, “Entertainment services, namely, an on-line nondownloadable series of programs, webisodes, video clips, segments, and interstitials featuring information about popular culture, entertainment, fashion, culture, music, and topics of general interest; Production and distribution of television programs; Production and distribution of cable television programs; Entertainment services in the nature of television programming; Production of multimedia content for online distribution; Entertainment services, namely, the production and

distribution of webisodes, multimedia content, videos, segments, and interstitials; Providing a website featuring information about popular culture, entertainment, culture, and music” in International Class 41, and “Providing a website featuring information about fashion” in International Class 45, on the grounds that the mark Applicant seeks to register is likely to cause confusion, mistake, or deception, in that purchasers would be likely to believe Applicant’s services are Beats’ services, or in some way legitimately connected with, sponsored by, or approved by Beats.

2. On May 17, 2013, Applicant filed its Answer, which states six purported defenses, namely that: (i) the Notice of Opposition fails to state a claim upon which relief may be granted; (ii) Opposer’s request for relief is barred by waiver; (iii) Opposer’s request for relief is barred by estoppel; (iv) Opposer’s request for relief is barred by laches; (v) Opposer’s request for relief is barred by unclean hands; and (vi) Opposer’s request for relief is barred by acquiescence. Each of these defenses is fatally deficient, and should be stricken. Specifically, each is both a “bare bones,” conclusory statement that fails to comply with Rule 8 of the Federal Rules of Civil Procedure, as well as legally untenable.

3. Though motions to strike are disfavored, such motions should be granted when they “simplify the pleadings and save time and expense by excising from [the pleading] any redundant, immaterial, impertinent, or scandalous matter which will not have any possible bearing on the outcome of the litigation.” *Garlanger v. Verbeke*, 223 F. Supp. 2d 596, 609 (D.N.J. 2002). *See also Heller Fin., Inc. v. Midwhey Powder Co.*, 883 F.2d 1286, 1294 (7th Cir. 1989) (“where ... motions to strike remove unnecessary clutter from the case, they serve to expedite, not delay”). Furthermore, where an affirmative defense that “might confuse the issues in the case and would not, under the facts alleged, constitute a valid defense to the action, [the

affirmative defense] can and should be deleted.” *Waste Mgmt. Holdings, Inc. v. Gilmore*, 252 F.3d 316, 347 (4th Cir. 2001). In this case, Applicant’s defenses are insufficient on their face and do not constitute valid defenses in this action and would only serve to clutter the case and waste time and resources.

4. Applicant’s First Affirmative Defense, Beats’ failure to state a claim, should be stricken because it is not an affirmative defense. “The asserted defense of failure to state a claim upon which relief can be granted is not a true affirmative defense because it relates to an assertion of the insufficiency of the pleading of opposer’s claim rather than a statement of a defense to a properly plead claim.” *Carson Foundation*, 94 U.S.P.Q. 2d at 1949.

5. In addition, each of Applicant’s Affirmative Defenses should be stricken because they are merely conclusory allegations devoid of any factual allegation that would put Beats on notice of the basis of Applicant’s defense. Applicant’s Second Affirmative Defense (Waiver), Third Affirmative Defense (Estoppel), Fourth Affirmative Defense (Laches) and Sixth Affirmative Defense (Acquiescence) are additionally deficient because, as a matter of law, Applicant cannot meet the threshold requirements of: (1) undue delay in asserting rights against a claimant to a conflicting mark, and (2) prejudice resulting therefrom. *Nat’l Cable Television Ass’n Inc. v. American Cinema Editors Inc.*, 19 USPQ2d 1424, 1431-32 (Fed. Cir. 1991) (establishing elements for an estoppel defense, and noting that laches and acquiescence are the same); *Land O’ Lakes Inc. v. Hugunin*, 88 USPQ2d 1957, 1959 (TTAB 2008) (the defense of laches “requires factual development” to establish undue delay).

6. Specifically, Applicant’s Second Affirmative Defense of Waiver must be stricken. Waiver requires “the intentional relinquishment or abandonment of a known right.” *Kontrick v. Ryan*, 540 U.S. 443, 458 n.13 (2004) (internal quotation omitted) (overruled in part on other

grounds). A mark is considered abandoned “when its use has been discontinued with intent not to resume such use.” 15 U.S.C. §1127. Beats has certainly not relinquished or abandoned any rights in relation to this matter and Applicant has not (and cannot) pled any fact that would establish otherwise. In fact, just the opposite is true – Beats timely brought this action to protect its rights and valuable assets. Therefore, Applicant’s Second Affirmative Defense should be stricken.

7. Moreover, equitable estoppel cannot apply in this case because Beats has timely filed its Notice of Opposition in this proceeding. *See National Cable Television Ass’n Inc.*, 19 USPQ2d at 1431-32 (setting forth elements for estoppel). It has been consistently held that the doctrine of estoppel may be invoked only by one who has been prejudiced by the conduct relied upon to create the estoppel, and a party may not therefore base its claim for relief on the asserted rights of strangers with whom it is not in privity of interest. *See Textron, Inc. v. The Gillette Co.*, 180 U.S.P.Q. 152, 154 (TTAB 1973) (internal citations omitted). Applicant has failed to plead any facts that show reliance on, or prejudice caused by, Beats’ conduct. Thus, Applicant’s Third Affirmative Defense should be eliminated from this proceeding as well.

8. Likewise, with regard to Applicant’s Fourth Affirmative Defense, laches, the Court of Appeals for the Federal Circuit has explicitly held that that laches cannot apply where, as here, an Opposer acts at its first opportunity to protest the issuance of a registration – namely, when the mark is published for opposition. *National Cable Television Ass’n*, 19 USPQ2d at 1431-32 (re-affirming precedent that laches is measured “from the time the action could be taken against the acquisition by another of a set of rights...”). *See also, Panda Travel Inc. v. Resort Option Enterprises Inc.*, 94 USPQ2d 1789, 1797 (TTAB 2009) (“Because opposer timely filed notices of opposition, there has been no undue delay by opposer or prejudice to applicant caused

by opposer's delay"). Accordingly, the defense of laches cannot be established and Applicant's Fourth Affirmative Defense should be stricken.

9. Identically, Applicant's Sixth Affirmative Defense cannot apply here. Indeed, Applicant's Sixth Affirmative Defense, acquiescence, is legally identical to its Fourth Affirmative Defense. *National Cable Television Ass'n*, 19 USPQ2d at 1431 ("...the defense of laches in *inter partes* proceedings, sometimes also characterized as 'acquiescence'..."). Thus, the Applicant's Sixth Affirmative Defense should be stricken both for the reasons set forth in Paragraph 9, and because it is duplicative of Applicant's Fourth Affirmative Defense.

10. Like the others, Applicant's Fifth Affirmative Defense (unclean hands) is completely absent of any facts describing what activity Beats allegedly engaged in to support Applicant's allegation. *See Midwest Plastic Fabricators Inc. v. Underwriters Laboratories Inc.* 5 U.S.P.Q. 2d 1067, 1069 (TTAB 1987) (conclusory allegations are insufficient to state a defense of unclean hands). Thus, this defense too should be stricken.

11. Moreover, as set forth above, certain of the asserted affirmative defenses are insufficient on their face. As a result of the barebones nature of certain of the asserted defenses, if Applicant's defenses are allowed to stand, Beats will be forced to serve numerous discovery requests and dedicate substantial deposition time, not only to discover the basis of Applicant's Affirmative Defenses, but also to prepare Beats' responses to these defenses. Granting the present motion will, therefore, serve the interests of the parties and the Board by removing irrelevant and unnecessary issues from the proceeding and allow this case to move forward in an efficient and focused manner. *Garlanger*, 223 F. Supp. 2d at 609. Thus, on this basis too, the Board should strike all six of Applicant's Affirmative Defenses.

WHEREFORE, Beats respectfully requests that the Board:

(1) enter an Order granting its Motion and striking each of Applicant's Affirmative Defenses;

(2) grant Beats any such additional and further relief that the Board deems proper.

Respectfully Submitted

Beats Electronics, LLC

Date: June 10, 2013

By: /Lawrence E. James/
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CERTIFICATE OF SERVICE

I, Katherine Dennis Nye, state that I served a copy of the foregoing *Opposer's Motion to Strike Affirmative Defenses*, via first class U.S. mail, postage pre-paid, upon Applicant:

Ted Sabety
Of Counsel
HAND BALDACHIN AMBURGEY LLP
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in accordance with Trademark Rule §§ 2.201 and 2.119 on June 10, 2013.

/ Katherine Dennis Nye /