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

Proceeding	91207333
Party	Plaintiff RxD Media, LLC
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Attachments	RxD Reply in Support of its Motion to Amend.pdf(299304 bytes )

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
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<b>RXD MEDIA, LLC</b>	:	
	:	
<b>Opposer,</b>	:	
	:	
<b>v.</b>	:	<b>Opposition No. 91207333</b>
	:	<b>91207598</b>
<b>IP APPLICATION DEVELOPMENT LLC,</b>	:	
	:	
<b>Applicant.</b>	:	
_____	:	

**OPPOSER RXD MEDIA, LLC’S REPLY IN SUPPORT OF ITS MOTION FOR LEAVE  
TO AMEND NOTICE OF OPPOSITION**

Opposer RxD Media, LLC (“RxD” or “Opposer”) hereby presents this brief reply to clarify the misinterpretation of RxD’s positions that form the basis of Applicant IP Application Development LLC’s (“Applicant”) opposition to RxD’s motion to amend its notices of opposition.

Like Applicant, RxD does not wish to see these proceedings extended. It does, however, wish to have its positions considered fully and fairly. Applicant took the position in its summary judgment motion that it is entitled to a registration giving it presumptive rights to use IPAD as a mark for the same services RxD has been offering for well over seven years unless RxD can establish that its mark was distinctive as of early 2010. For the reasons set forth in RxD’s opposition to that motion, Applicant’s position is wrong as a matter of law under one or more legal theories, all of which are based on the facts adduced from discovery. RxD is simply seeking amendment of its notices of opposition to preserve its procedural right to pursue the alternate legal theories upon which it is entitled to rely based on the facts of record. Because those theories are all based on the same set of facts, including those that Applicant and Apple have produced, it would be unjust to refuse RxD to pursue them at trial.

RxD's motion is simply a request to amend the notices to conform to the evidence adduced during discovery. *See* Fed. R. Civ. P. 15(a); TBMP § 507.03. Such amendment is particularly appropriate here. No additional discovery is needed, nor should any be allowed. Applicant has had a full and fair opportunity to take and produce all discovery necessary to address all the issues raised by RxD's amendment, including a unilateral extension of time agreed to by RxD to allow Applicant/Apple to complete their discovery obligations. (Paper 49). There was also no ambiguity about the scope of information that Applicant/Apple was required to produce, particularly regarding the scope of Applicant's actual or planned use of the mark. Any such ambiguity was resolved by the motion to compel brought by RxD and granted by the Board. (*See* Paper 47, at 7; *see also Id.* at 4 (noting relevance of evidence of distinctiveness of Applicant's marks which were published for opposition pursuant to a claim of acquired distinctiveness)). In fact, Applicant devotes 6 pages of its opposition to a recitation of facts (*see* Paper 60, at 2-8), which only serves to demonstrate that the factual record is sufficient to allow Applicant to amply defend its positions.

The correction of Applicant's misinterpretation largely resolves the objections Applicant has put forth in its opposition. Regarding the issue of timeliness, Applicant relies on cases where the Applicant did not have an opportunity for discovery on a claim sought to be added by amendment and/or would be deprived of the opportunity to present its defenses during the testimony period. *See The Black & Decker Corp. v. Emerson Elec. Co.*, 84 USPQ2d 1482 (TTAB 2007). That is not the case here. Applicant had a full and fair opportunity to respond to and take discovery directed to the facts that RxD is relying on since at least as early as December 29, 2014, when RxD served its discovery requests. In addition, the testimony periods have not

yet begun, and Applicant will have a full opportunity to address RxD's additional claims during the testimony periods and at trial before the Board.

Likewise, Applicant's arguments about undue delay are incorrect and the cases it cites are inapposite. In its summary judgment motion, Applicant relies on the Office's rejection of RxD's application for descriptiveness. (Paper 53, at 6). There was no such rejection until a matter of weeks before RxD filed its motion to amend.

Moreover, the additional claims RxD seeks to add by amendment hinge on the extent to which Applicant/Apple has used the IPAD mark, including allegations that they have not used the mark for services. That issue must be addressed at the time of the decision. Thus, it was proper to allow Applicant/Apple the maximum opportunity to produce evidence of the use or objective evidence of its bona fide intent to use the mark at issue. Applicant pointed to Apple as the source of much of the information sought by RxD, and Apple's discovery period did not close until a few weeks before RxD filed its motion. As a result, other cases cited by Applicant are inapposite because in those cases, a party sought to add claims that were known prior to discovery<sup>1</sup> or delayed moving to amend the pleading until years after the conclusion of discovery<sup>2</sup>.

Regarding Applicant's assertions that the amendments RxD seeks are futile, those assertions are belied in large part by Applicant's own extensive recitation of facts. Through that

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<sup>1</sup> See *Kajita v. Walter Kidde & Co., Inc.*, 185 USPQ 436 (TTAB 1975) (failure to assert claims that existed at time of original notice and prior to discovery); *Together Networks Holdings Ltd. v. Fellow Fish, Inc.*, No. 91217120, 2015 WL 9906649 (TTAB Sept. 9, 2015) (applicant motion to amend to add affirmative defenses denied because defenses were compulsory counterclaims required to be pled with original answer).

<sup>2</sup> See *Int'l Finance Corp. v. Bravo Co.*, 64 USPQ2d 1597 (TTAB 2002) (delay of two years); *Kellogg Co. v. Shakespeare Co., LLC*, No. 91154502, 2005 WL 158151 (TTAB Jun. 20, 2005) (delay of a year and a half after close of discovery); *United Homecare Svcs., Inc. v. Santos*, No. 92053738, 2013 WL 11247709 (TTAB Jul. 26, 2013) (delay of fourteen months).

recitation, Applicant is seeking to have the merits of the requested amendments decided at the motion to amend stage. That is clearly improper. TBMP § 507.02.

Applicant also misapprehends and misrepresents the law regarding the unfair competition claim that Applicant seeks to add. In the Fourth Circuit's recent *Belmora* decision, to which the Commissioner was a party, the court made clear that a party's use of a mark in a manner that creates a false association with the challenger of that party is proper grounds for a cancellation proceeding, and that such false association claims are essentially the same as unfair competition claims under § 43(a). *Belmora LLC v. Bayer Consumer Care AG*, --- F.3d ---, No. 15-1335, 2016 WL 1135518, at \*12 (4<sup>th</sup> Cir. Mar. 23, 2016).

*Belmora* involved a cancellation proceeding, and cancellation proceedings are available only on specified grounds. 15 USC § 14. Opposition proceedings are not so limited; they are available on any ground that forms the basis for the opposer's belief that it will be harmed by the applicant's registration. 15 USC § 13. There is thus no rationale, and Applicant has provided none, for refusing unfair completion claims based on false association in opposition proceedings when they are proper grounds in the more narrowly restricted cancellation proceedings.

Nothing in the authority cited by Applicant, all of which is subordinate to the more recent *Balmora* decision, is to the contrary. RxD is seeking only to have the Board determine Applicant's right to register, not the right to use. RxD's requested amendment is therefore entirely consistent with existing precedent. *Compare Pure Gold, Inc. v. Syntex (U.S.A.) Inc.*, 221 USPQ 151 (TTAB 1983) ("pleadings should be restricted to matters bearing on defendant's right to register and actual or potential damage to plaintiff from registration") with *Balmora*, 2016 WL 1135518, at \*12 ("If successful, the result of a § 14(3) petition 'is the cancellation of a registration, not the cancellation of a trademark.'"); *see also Seculus DA Amazonia S/A v. Toyota*

*Jidosha Kabushiki Kaisha*, 66 USPQ2d 1154 (TTAB 2003) (unfair competition based on applicant's alleged unclean hands denied).

Applicant is now asserting that it is using its mark for services, an assertion RxD vehemently challenges, but to the extent it is using the mark, RxD is entitled to challenge registration if that use causes a false association with RxD. *Belmora*, 2016 WL 1135518, at \*12. Such false association claim is precisely what RxD pled in Count IV of its Consolidated Amended Notices of Opposition. (Paper 59, App. 1, ¶¶ 40-45.)

Finally, the foregoing explanation demonstrates the complete lack of merit in Applicant's allegations of bad faith on the part of RxD. (*See* Paper 60, at 19). This is not the first time that Applicant has sought to levy such unfounded accusations, and they must be rejected here just as they have been in every other instance.

### **CONCLUSION**

RxD therefore respectfully requests that the Board grant it leave to amend its notice of opposition, and deem filed the proposed Consolidated Amended Notice of Opposition submitted with RxD's motion to amend.

Dated: May 3, 2016

Respectfully submitted,

RXD MEDIA, LLC  
BY COUNSEL

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**CERTIFICATE OF SERVICE**

I hereby certify that on this 3<sup>rd</sup> day of May, 2016 a true copy of the foregoing was electronically mailed to the following:

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