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

Proceeding	91216907
Party	Defendant Anastasia Beverly Hills, Inc.
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BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

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BENEFIT COSMETICS LLC,))	
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Opposer,))	
))	
v.))	
))	Opposition No. 91216907
ANASTASIA BEVERLY HILLS, INC.,))	
))	
Applicant.))	
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**ANASTASIA BEVERLY HILLS, INC.’S REPLY IN SUPPORT OF
MOTION FOR JUDGMENT ON THE PLEADINGS**

I. Introduction

It is apparent, from the tone of its Opposition to Applicant’s Motion for Judgment on the Pleadings (the “Response”), that Opposer Benefit Cosmetics LLC (“Benefit”) is eager to use 90 scorched-earth discovery requests as a weapon to inconvenience Applicant Anastasia Beverly Hills, Inc. (“ABH”) and cause ABH to incur significant expenses defending a meritless opposition. But, as discussed below, this opposition is already ripe for judgment in ABH’s favor, and ABH requests that the Board grant its Motion for Judgment on the Pleadings (the “Motion”).

II. Reply to Benefit’s Arguments

1. Benefit’s claim of harm is purely hypothetical.

On page 19 of the Benefit Response, Benefit summarizes the impetus behind its objection to ABH’s applications:

Opposer’s brow grooming and shaping services and products are a core part of its business (*see* Not. Opp. ¶ 6), and being unable to display such brow-mapping diagrams and illustrations on packaging and promotional materials for its products and services for fear that Applicant will assert that such use infringes Applicant’s Proposed Mark would cause significant harm to Opposer (*see* Not. Opp. ¶ 32).

Notably, Benefit has not alleged that it *actually* uses diagrams and illustrations on its product packaging and product promotional materials or that ABH has ever objected to Benefit's use of any diagram or illustration. Rather, Benefit argues that ABH could *hypothetically* object to Benefit's *hypothetical* use (perhaps trademark, perhaps not) of an unspecified design.

The infringer in *Qualitex Co. v. Jacobson Products Co., Inc.*, who had *actually* been sued for trademark infringement and unfair competition, employed a similar argument: "if the law permits the use of color as a trademark, it will produce uncertainty and unresolvable court disputes about what shades of a color a competitor may lawfully use." 514 U.S. 159, 34 USPQ2d 1611, 1164 (1995). The Supreme Court rejected Jacobson's argument, stating that "[c]ourts traditionally decide quite difficult questions about whether two words or phrases or symbols are sufficiently similar, in context, to confuse buyers" and "[l]egal standards exist to guide courts in making such comparison." *Id.*

Just as the Supreme Court refused to resolve hypothetical future trademark disputes, so too should the Board. It is not within the Board's jurisdiction to restrict registration of a mark because the applicant could attempt to overreach in enforcing the mark in the future.

2. Benefit's feigned need for discovery.

Benefit repeatedly accuses ABH of filing its Motion "to avoid discovery." *See* Benefit Response at pg. 5, 8, and 13. Benefit's *ad hominem* attack is unwarranted.

First, ABH has been completely candid in its intentions. In its Motion, ABH stated "[t]he purpose of a dispositive motion such as a motion for judgment on the pleadings is to prevent Benefit's meritless harassment of its competitor, ABH, through the trademark opposition and discovery process." Motion at pg. 2. ABH does not wish to spend time and money responding to 90 discovery requests in a futile and meritless opposition, especially when the responses and

documents have no relevance to the causes of action. This common-sense approach has no bearing on the validity of the ABH Motion.

Second, discovery is simply not necessary in this proceeding. In its Response, Benefit cites ten Board decisions regarding its failure-to-function claim, two Board decisions regarding its functionality claim, and five Board decisions regarding its descriptiveness claim.

Presumably, these are the best 17 decisions that Benefit could find to support its claims in the opposition, and all were *ex parte* proceedings decided based solely on the application file.

It follows that the Board is fully capable of issuing a decision regarding each of the claims of Benefit's opposition based solely on the application file which, under Trademark Rule 2.122(b), is already part of the record of the proceeding. Therefore, this opposition is ready for final resolution. And, based on the black-letter law discussed in the following sections, the Board's resolution should be in ABH's favor and the opposition should be dismissed.

3. Benefit's failure-to-function claim.
(Replies to Response Section III(B))

As stated in *In re Sun-Land Garden Products, Inc.*, a non-precedential decision cited by Benefit, "Sections 1, 2 and 45 of the Trademark Act clearly provide the statutory basis for refusal to register subject matter that, *due to its inherent nature or the manner in which it is used*, does not function as a mark to identify and distinguish the applicant's goods." Slip op. 75714956 at pg. 9 (June 23, 2003) (not precedential) (emphasis added); *see also In re Dunn-Edwards Corp.*, slip op. 76201822 at pg. 3 (Dec. 16, 2004) (not precedential) ("the manner in which applicant has employed the asserted mark, *as evidenced by the specimens of record*, must be carefully considered in determining whether the asserted mark has been used as a trademark with respect to goods named in the application") (emphasis added). In other words, the failure-to-function

question is primarily a question of how the applied-for mark is used on the specimen of record.¹ Therefore, the Board can determine whether the Logo functions as a trademark based solely on the application file, which includes the drawing of the Logo and the specimen.²

In its Response, Benefit has cited Board decisions that do not apply to the Logo. *In re Volvo Cars of North America Inc.*, *In re Manco Inc.*, *In re Brass-Craft Manufacturing Co.*, *In re Aerospace Optics Inc.*, and *In re Remington Products Inc.* all involve words marks. So while Benefit may have recited accurate black-letter law, this law is not particularly probative on the question of whether the Logo, as used on the specimen, functions as a trademark.

Benefit cites *In re H. Goodman & Sons, Inc.* in support of its position, but this decision involved a mark that incorporated a drawing of the product. 135 USPQ 407, 408 (TTAB 1962) (“It is the second step or illustration, *which also pictures applicant’s product*, that appears on the front of the display card under the wording ‘For Easy Instructions SEE BACK OF CARD’ and

¹ Benefit illogically implies in its Response that if ABH used the Logo in a non-trademark manner in one context, for example in a decorative or ornamental fashion, then the Logo no longer functions as a trademark in any context. *See, e.g.*, Response at pg. 12 (“even though Opposer has not yet had the opportunity to conduct discovery, it has found examples of Applicant’s use on and inside packaging of Applicant’s Proposed Mark (or substantially similar illustrations) to show how its stencils and tweezers should be used”). There is no legal basis for this position. A trademark owner can use its logo on a business card, letterhead, or employee apparel – all typically non-trademark uses – and still use its logo on its product as a trademark. Therefore, Benefit’s proposed “witch hunt” is unnecessary. Furthermore, the images used in the “instructions for use” are neither the Logo nor substantially similar to the Logo.

² Benefit argues that “Applicant also makes an unsupported claim that its asserted mark is a ‘logo’—a claim that does not appear anywhere in the pleadings and, as such, cannot be considered on this Motion.” It is apparent from both the drawing and the specimen that ABH’s applied-for mark is a logo. *See, e.g., In re Brouwerij Bosteels*, 96 USPQ2d 1414, 1423 (TTAB 2010) (“The previously registered mark [shown below] is a two-dimensional design in the nature of a logo”). The Board can refer to the application file and take judicial notice of obvious facts.



constitutes the subject matter of the application”) (emphasis added). Likewise, in *In re International Spike, Inc.*, the applied-for mark incorporated a drawing of the product. 196 USPQ 447, 450 (TTAB 1977) (“The illustration on the package shows the proper spacing and location of the spikes and the manner of inserting them into the ground”). ABH’s Logo does not incorporate either a stencil or a tweezer. So ABH’s Logo is not similar to the designs at issue in *H. Goodman & Sons* or *International Spike*, and these decisions are inapposite.

Benefit also cites *In re Cotto-Waxo Company* in support of its position, but this decision involved an analysis of the manner in which the applied-for mark appeared on the specimen of record. 127 USPQ 168, 169 (TTAB 1960) (“Registration has been refused on the ground that the design applicant seeks to register is merely a decorative or ornamental feature of *applicant’s label*”) (emphasis added). The same is true of the non-precedential Board decisions of (1) *In re Dunn-Edwards Corporation*, slip op. 76201822 at pg. 3 (Dec. 16, 2004) (non-precedential) (“As it appears on the specimen of use, the design which applicant seeks to register does not function as a trademark . . . As used on the specimen, applicant’s design appears in a very subordinate fashion . . .”) (emphasis added), (2) *In re Sun-Land Garden Products, Inc.*, slip op. 75714956 at pg. 8-9 (June 23, 2003) (non-precedential) (“One may *only* determine whether the subject matter for which registration is sought is used as a trademark by reviewing such evidence as the specimens of use and any promotional material that may be of record in the application”) (emphasis added), and (3) *In re Signs Plus, New Ideas-New Technology, Inc.*, slip op. 76225929 at pg. 9 (Feb. 19, 2003) (non-precedential) (“Where, as here, an alleged mark serves as part of the aesthetic ornamentation of goods, the size, location, dominance, and significance of the alleged mark *as applied to the goods*, are all factors that figure prominently in our determination of whether the involved matter also serves as an indication of origin”) (emphasis added).

Notably, Benefit’s notice of opposition does not contain a single allegation related to the

manner in which the Logo is used on the specimen. For example, Benefit has not alleged that the Logo is merely ornamental as used on the specimen. Therefore, there is no basis for the Board to conclude, based on the presumed truth of Benefit's notice of opposition allegations, that the Logo fails to function as a trademark as it is used on the specimen. As a result, ABH is entitled to judgment on the pleadings with respect to Benefit's failure-to-function claim.

4. Benefit's functionality claim.
(Replies to Response Section III(C))

Benefit's Response fails to identify a single Board decision in which the Board refused a logo as functional. Instead, Benefit argues a minutiae point that Trademark Act § 2(e)(5) does not *explicitly* include a trade dress restriction. In doing so, Benefit ignores decades of case law and mischaracterizes the cases it cites.

The Board's decision in *In re Schwauss* does not support the applicability of the functionality doctrine to the Logo. Although the word "functional" appears in the Board's decision (in summarizing the examiner's refusal), this decision is a failure-to-function decision, not a functionality decision. 217 USPQ 361, 362 (TTAB 1983) ("In the present case, the record shows use of the term 'FRAGILE' in special form across the face of the label. It is apparent that the word 'FRAGILE' is presented as a message or informational statement, rather than a source indicator . . . The 'FRAGILE' inscription, therefore, is considered to be devoid of any source identifying function"). Therefore, this decision has no bearing on ABH's Motion.

The Third Circuit's decision in *American Greetings Corporation v. Dan-Dee Imports Inc.* does not support the applicability of the functionality doctrine to the Logo. Notably, the court was primarily examining the method of placing graphics on the stomachs of teddy bears *as a product configuration*. 1 USPQ2d 1001, 1005 (3d Cir. 1986) ("With this background we turn to the threshold issue in this case: did the district court err in concluding that the display of

common images on the white stomach field of the Care Bears is a functional feature”). ABH concedes that the functionality doctrine may apply to product design. But ABH is not seeking to register a product design. Therefore, this decision has no bearing on ABH’s Motion.

The Southern District of Texas’ decision in *Compaq Computer Corp. v. Procom Technology Inc.* does not support the applicability of the functionality doctrine to the Logo. The court analyzed the very narrow topic of whether the use of a word mark within the vendor ID coding, for the purpose of expressing compatibility, was functional. 37 USPQ2d 1801, 1811 (S.D. Tex. 1995). In fact, it was the context of the *defendant’s* use of the mark, not the *plaintiff’s* use of the mark that was dispositive on the issue of functionality. Consequently, although the court referred to the functionality doctrine, its use of a functionality analysis was likely in error, as the operative question was whether the defendant’s use of the word mark was a trademark use.

And, finally, the Board’s non-precedential decision in *In re Adams Mfg. Corp.* does not support the applicability of the functionality doctrine to the Logo. In *In re Adams Mfg. Corp.*, the Board examined whether the applicant’s suction cup product design was functional. Slip op. 85025503 at pg. 1-3 (not precedential). As thoroughly discussed in the Motion, ABH is not seeking to register a product design. Therefore, this decision has no bearing on ABH’s Motion.

Although Benefit mistakenly believes that ABH has not supported its argument that the functionality doctrine does not apply to the Logo, the absence of any on-point precedent shows the futility of Benefit’s position. The functionality doctrine has no applicability to the Logo, and, as a result, has no applicability to ABH’s applications.

In its Response, just like in its notice of opposition, Benefit belabors the existence of patents without alleging or showing any meaningful legal or factual relationship between the nature of the patent claims and ABH’s applied-for trademark protection for stencils and tweezers. Benefit cannot prove that the protection ABH is seeking in its trademark applications

is related to the *features* claimed in Anastasia Soare’s utility patents because artistic works, such as logos (for example, the Nike swoosh and the McDonald’s golden arches), cannot be the subject matter of a valid utility patent. As a result, ABH’s trademark applications do not contain patentable subject matter and the existence of patents is not relevant.

ABH does not dispute that the Logo and GOLDEN RATIO word mark refer to a method of brow shaping. Nor does ABH dispute that the “Golden Ratio” is a preferred method of shaping brows. Benefit’s discussion on Response pages 16 – 19 shows nothing more than these undisputed facts. But these facts are irrelevant to the question of functionality of the Logo, especially because marks signifying methods can be trademarks and service marks, if they are used to identify a good or service. *See* TMEP § 1301.02(e).

Unlike a registration for trade dress or product design, the registration of the Logo does not provide ABH with any exclusivity regarding the *shape* or *design* of its stencils or tweezers or the practice of its “Golden Ratio” method. In other words, an individual or company cannot commit trademark infringement by using the Golden Ratio in its cosmetology services any more than an individual can commit trademark infringement by holding a polo mallet and riding a horse in the same posture as the famous Polo logo.³ And Benefit has failed to allege, or otherwise demonstrate in its Response, any support for a contrary position.

The Logo, as used on the specimen, is not a useful product feature. It is purely a symbolic source indicator. And the notice of opposition, which alleges only that the Logo

³ This is precisely why Benefit’s attempted application of the functionality doctrine to the Logo or any other symbol is non-sequitur. Benefit has not alleged that the Logo is a product feature or function and the functionality doctrine governs useful product features and functions. *See Qualitex Co. v. Jacobson Products Co., Inc.*, 514 U.S. 159, 34 USPQ2d 1161, 1163 (1995) (“The functionality doctrine prevents trademark law . . . [from] inhibiting legitimate competition by allowing a producer to control *a useful product feature*”) (emphasis added). Likewise, Benefit has not alleged that ABH’s use of the Logo affects the cost or quality of **stencils** or **tweezers** or that the exclusive use of the Logo on **stencils** and **tweezers** would put competitors at a significant non-reputation-related disadvantage. *Id.* at 1163-64.

“reflects a particular utilitarian brow-mapping technique or method,” fails to allege how the Logo is a useful product feature *as used in connection with the applied-for goods*. As a result, ABH is entitled to judgment on the pleadings with respect to Benefit’s functionality claim.

5. Benefit’s descriptiveness claim.
(Replies to Response Section III(D))

In Section III(D), Benefit cites black-letter law that offers little, if any, insight into the issues in this opposition. These decisions do not apply to this proceeding or ABH’s Motion.

In *In re Away Chemical Corp.*, the Board affirmed the examiner’s refusal to register a tablet design for drain pan tablets. 217 USPQ 275, 275-76 (TTAB 1982). Central to the Board’s decision was the fact that the applied-for design was a visual representation of the applied-for goods. *Id.* at 276. Likewise, in *In re Platinum Technology, Inc.*, the Board affirmed the examiner’s refusal to register the word mark C/S-TEST for computer software for testing networks in the client/server (“C/S”) environment. 1999 WL 180771, *1 (TTAB Mar. 31, 1999). Neither of these decisions supports Benefit’s position that the Logo, which is neither a word mark nor a pictorial representation of a stencil or tweezers, is merely descriptive.

Likewise, in both *In re Eight Ball, Inc.* and *In re Underwater Connections, Inc.*, the Board affirmed refusals to register elementary designs that depicted supplies used to provide billiard parlor services and underwater diving tours. 217 USPQ 1183, 1183 (TTAB 1983); 221 USPQ 95, 95 (TTAB 1983). These decisions are notable only because the Board found that for service marks, depicting the required tool(s) is *equivalent to* depicting the service, and this end-around is impermissible, especially because of the impracticality of depicting a service. *Eight Ball*, 217 USPQ at 1183-84, *Underwater Connections*, 221 USPQ at 96. ABH has not applied to register the Logo for a service, so these decisions do not apply to this opposition.

Finally, Benefit's illustrations on Response page 21 are not probative because they do not demonstrate use of the Logo, but rather use of the Logo (1) with additional subject matter, or (2) with various elements removed. To that end, if the facts of the proceeding were completely different and the application covered only the image of an eyebrow, the analysis might be different. But the Logo incorporates a nose, three dotted lines, an eye, and an eyebrow. And the composite of these numerous elements, as a matter of law, does not depict ABH's stencils or tweezers or convey meaningful information on how to use tweezers and/or stencils. As a result, ABH is entitled to judgment on the pleadings with respect to Benefit's descriptiveness claim.

III. Conclusion

Benefit has resorted to hyperbole and accusations of ulterior motives to attempt to resuscitate an opposition that is on life support. The Board should summarily reject these arguments. Based on the pleadings, ABH is entitled to judgment as a matter of law in this opposition. Therefore, in the interest of judicial economy, ABH requests that the Board grant its Motion and dismiss the opposition.

Respectfully submitted,
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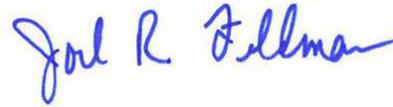
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CERTIFICATE OF ELECTRONIC TRANSMISSION

Date: October 1, 2014

I certify that Anastasia Beverly Hills, Inc.'s Reply in Support of Motion for Judgment on the Pleadings is being transmitted electronically to the Trademark Trial and Appeal Board of the United States Patent & Trademark Office, on the date indicated above, through the ESTTA electronic filing system at the web site <http://estta.uspto.gov/>.



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CERTIFICATE OF SERVICE

I certify that on October 1, 2014, I served the Anastasia Beverly Hills, Inc.'s Reply in Support of Motion for Judgment on the Pleadings by electronic mail only (by agreement) to:

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