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

Proceeding	91217273
Party	Plaintiff Monster Energy Company
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

MONSTER ENERGY COMPANY,	)	Opposition No.: 91217273
	)	
Opposer,	)	Serial No.: 85/920112
	)	
v.	)	Mark: 
	)	
THREE NOTCH'D BREWING COMPANY, LLC,	)	
	)	
Applicant.	)	

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**MEMORANDUM IN SUPPORT OF OPPOSER’S MOTION FOR PARTIAL SUMMARY  
JUDGMENT AND MOTION TO SUSPEND PROCEEDINGS**

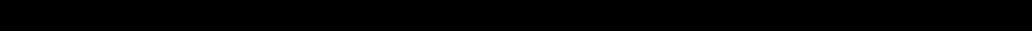
**I. INTRODUCTION**

In 2002, Opposer Monster Energy Company<sup>1</sup> (“Opposer”) launched its MONSTER ENERGY<sup>®</sup> line of drinks. Each container of Opposer’s MONSTER ENERGY<sup>®</sup> drinks prominently displays Opposer’s  <sup>®</sup> mark (“Opposer’s Mark”). Since 2002, Opposer has spent approximately \$3.5 billion promoting its beverage products, including the  <sup>®</sup> mark. Total retail sales in the U.S. of MONSTER ENERGY<sup>®</sup> drinks displaying Opposer’s Mark have been more than \$22 billion. As a result, Opposer’s Mark has become famous. Opposer also owns numerous federal registrations for its mark, including the four incontestable registrations asserted in this opposition.

In 2013, more than a decade after Opposer began using and received registrations for its  <sup>®</sup> mark, Applicant Three Notch’d Brewery (“Applicant”) began using and applied for registration of the

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<sup>1</sup> For purposes of this Motion Opposer may include Monster Energy Company and Monster Beverage Company, a division of what is now known as Monster Energy Company unless otherwise specified.

mark  (“Applicant’s Mark”) in International Class 32 for beer. Applicant’s Mark is confusingly similar to Opposer’s Mark. The dominant portion of Applicant’s Mark -  - is virtually indistinguishable from Opposer’s ® mark. Both include three jagged prongs that form a claw or scratch design.   
  


Moreover, there is no restriction on the orientation of Applicant’s Mark in its application, and Applicant in fact uses its mark, and the  design, in a vertical orientation, i.e. .

Applicant’s identified goods are highly related to the goods identified in Opposer’s registrations, which include beverages. Applicant’s beer and Opposer’s energy drinks displaying the ® mark are also sold at the same locations, including convenience stores, gas stations, grocery stores, and on-premise retailers such as restaurants, bars and nightclubs. There is also no dispute that both parties’ goods are relatively inexpensive.

All the DuPont factors weigh in favor of a likelihood of confusion. Thus, pursuant to Federal Rule of Civil Procedure 56(c) and Trademark Trial and Appeal Board Manual of Procedure (“TBMP”) § 528.01, Opposer moves for summary judgment that Applicant’s Mark is confusingly similar to Opposer’s Mark.<sup>2</sup> Pursuant to 37 CFR § 2.127(d), Opposer also requests that the Board suspend the commencement of Opposer’s testimony period pending a decision on this motion.

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<sup>2</sup> Opposer’s motion is made without waiving or intending to waive any of Opposer’s other claims set forth in its Notice of Opposition, including its claim for dilution which Opposer reserves the right to pursue at trial.

## II. STATEMENT OF UNCONTROVERTED FACTS

### A. Opposer and Opposer's Mark

#### 1. Opposer's Extensive Use and Promotion of Its Mark

Since introducing the <sup>®</sup> mark with its MONSTER ENERGY<sup>®</sup> drinks in 2002, Opposer has developed immense goodwill and brand recognition in its creative and distinctive trademark. Sacks Decl. ¶ 8. Opposer's Mark appears on the front of every container of its MONSTER ENERGY<sup>®</sup> line of drinks, which have grown to include over 30 products. *Id.* ¶ 7, Ex. 1. Some examples of Opposer's products are shown below:



Opposer's energy drinks are the most popular energy drink in the U.S. by unit volume. *Id.* ¶ 10.

Since 2002, Opposer has sold more than 11 billion cans bearing the <sup>®</sup> mark in the U.S., which has generated over \$22 billion in total retail sales. *Id.* Currently, Opposer maintains approximately a [REDACTED] of the U.S. energy drink market, with sales of roughly 2 billion cans per year. *Id.*

Since introducing its line of MONSTER ENERGY<sup>®</sup> drinks in 2002, Opposer has spent approximately \$3.5 billion in marketing and promoting the MONSTER ENERGY<sup>®</sup> brand, including the <sup>®</sup> mark. *Id.* ¶ 9. For example, Opposer uses its mark on point-of-sale promotional materials (such as posters, static cling stickers, inflatables, etc.) that have been distributed to more than 200,000 locations where Opposer's products are sold. *Id.* ¶ 13, Exs. 4 and 5. In addition, Opposer's beverages are sold at on-premise locations, such as bars and restaurants, and Opposer provides on-premise retailers that sell

MONSTER ENERGY® drinks with a variety of bar and restaurant specific POS (“point of service”) materials including bar mats, tip jars, mini-fridges, and bottle openers. *Id.* ¶ 14, Ex. 5. Opposer also advertises and promotes Opposer’s Mark by sponsoring numerous sporting events including, but not limited to, the X Games, UFC, and MotoGP motorcycle racing events, which have been televised and seen by millions of viewers around the world. *Id.* ¶¶ 20-21, 27, Ex. 8. In addition, Opposer has used Opposer’s Mark in connection with the sponsorship of numerous athletes, resulting in further widespread exposure of the mark to the public. *Id.* ¶¶ 19-27. Opposer also promotes its mark through sponsorship of other live events, such as concerts. *Id.* ¶ 28.

Opposer also promotes its line MONSTER ENERGY® drinks, including Opposer’s Mark, at various tradeshows, including, but not limited to, National Association of Convenience Stores (NACS), 7-Eleven Franchise Show, SP Richards Trade Show, Food Marketing Institute, Nightclub & Bar Show, and the Anheuser-Busch town meetings. *Id.*

Opposer’s Mark has also received significant exposure in print media. For example, Opposer has been recognized as one of the fastest growing companies by national publications such as *Forbes* and *Fortune*. *Id.* ¶ 29, Ex. 9. The success of Opposer’s MONSTER™ brand has been featured in a number of national publications, including *Newsweek*, *Men’s Fitness*, *Time Magazine*, *The Wall Street Journal*, and *USA Today*. *Id.*

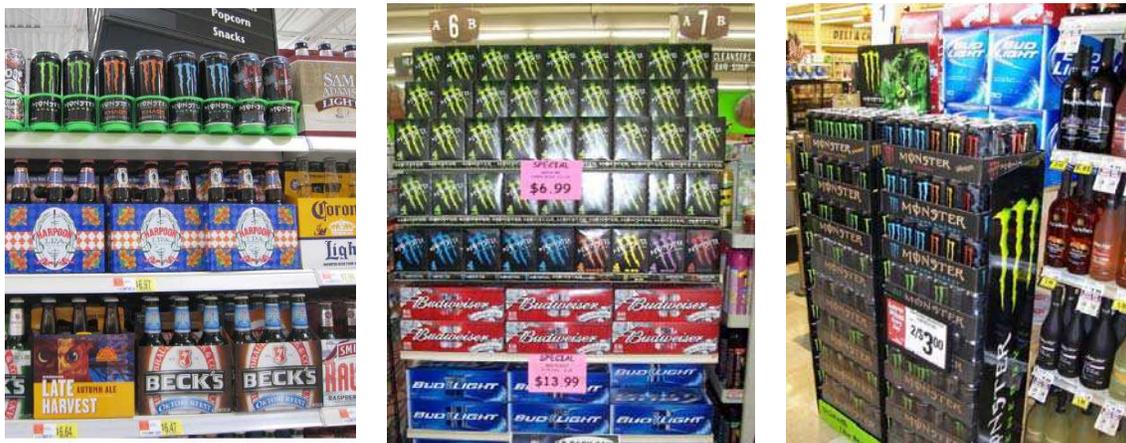
In addition, Opposer’s ® mark was prominently displayed on the Las Vegas monorail (the “MONSTER Train”). *Id.* ¶ 30, Ex. 10. The MONSTER Train was featured in *The Wall Street Journal*, *Time*, and *USA Today* in 2003, and these articles were read by an estimated 32 million people in the U.S. *Id.* In addition, television and internet reports that discussed the Las Vegas MONSTER Train reached another 70 million readers, and television and radio promotions were circulated to approximately 36 million people in the U.S. *Id.*

Opposer also maintains a very strong internet and social media presence, through which Opposer promotes its ® mark. For example, Opposer’s Facebook page, which prominently displays Opposer’s

Mark, is among the most “liked” pages on Facebook, with over 25 million “likes.” *Id.* ¶ 33, Exs. 12, 13. A January 2015 report by Socialbakers, an organization that tracks brand popularity on Facebook, ranked Opposer as the 25th most popular global brand, and a 2010 Facebookers report, a portal owned by Socialbakers, ranked Opposer as the 14th most popular global brand. *Id.* Exs. 14, 15. Opposer also promotes its mark using YouTube, Twitter, and its own monsterenergy.com website. *Id.* ¶¶ 31, 33, Exs. 11, 16-17. Opposer’s MONSTER ENERGY® website hosts approximately 439,000 visitors per month while its YouTube channel has over 878,139 subscribers and over 72 million views. *Id.* Opposer also promotes its mark on various other websites that receive hundreds of thousands of visitors per month. *Id.* ¶ 32.

## 2. Opposer’s Trade Channels for its Line of MONSTER ENERGY® Drinks

Opposer markets, advertises and sells its products through a variety of trade channels. Opposer sells its MONSTER ENERGY® drinks in well over 300,000 retail outlets in the U.S. *Id.* ¶ 12. These retail stores include convenience stores, gas stations, grocery stores, and major retailers such as Costco, Target, and Wal-Mart. *Id.* Most of these stores sell both beer and energy drinks, often side by side or in adjacent coolers, as shown below. *Id.* ¶ 12, Ex.3.



Opposer’s MONSTER ENERGY® drinks bearing the  mark are also sold by on-premise retailers such as nightclubs, bars, and restaurants where beer is also frequently sold. *Id.* ¶ 14, Ex. 6. Opposer’s beverage products were first sold at on-premise retailers at least as early as 2006 and have been

continuously sold by on-premise retailers since that time. *Id.* In 2007, Opposer entered into an agreement with Anheuser-Busch, one of the largest beer distributors, to manage and coordinate the sale, distribution and merchandising of Opposer's beverages at on-premise retailers. *Id.* ¶ 15, Ex. 7. [REDACTED]

*Id.*

**3. Opposer Has Numerous U.S. Trademark Registrations for its  Mark**

To protect its rights in the  mark, Opposer has sought and obtained numerous federal trademark registrations with the United States Patent and Trademark Office. Opposer owns several U.S. Trademark Registrations for or incorporating its  mark, including U.S. Registration Nos. 3,134,841 (  ), 2,903,214 (  ), 3,434,821 (  ) and 3,434,822 (  ) which are incontestable and have been asserted in this Opposition. Declaration of Jason Champion ("Champion Decl.") ¶¶ 2-5, Exs. 1-4. Three of these registrations are for goods in International Class 32 and cover a variety of drinks and beverages such as carbonated soft drinks, carbonated and non-carbonated energy or sports drinks, and fruit juice drinks having a juice content of 50% or less by volume that are shelf stable. *Id.* ¶¶ 2, 4-5, Exs. 1, 3-4.

**B. Applicant's  Three Notch'd BREWING COMPANY Mark**

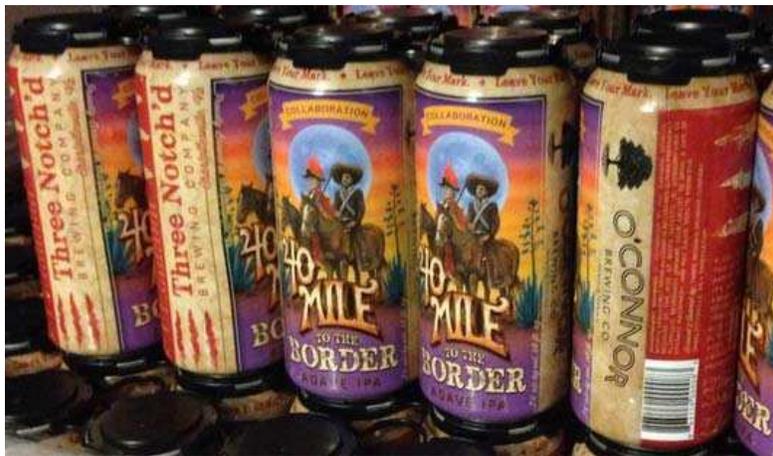
On May 1, 2013, Applicant filed U.S. Trademark Application Serial No. 85/920112 for the  mark. The application covers "beer" in Class 32. Applicant admits that it did not begin using the  mark until August 29, 2013 – more than 10 years after Opposer first began using its famous  mark. *Id.* ¶ 6, Ex. 5 (Resp. to Interrog. No. 6).

Like Opposer, Applicant sells its products through retail stores, gas stations, convenience stores, grocery stores, and on-premise retailers such as bars and restaurants. *Id.* ¶¶ 7-8; Ex. 6 (Resp. to Req. for

Admis. Nos. 11, 17, 20) and Ex. 7 (TNB\_000050-60). Applicant first began selling its products in August 2013. *Id.* ¶ 6, Ex. 5 (Resp. to Interrog. No. 6).

Many of Applicant's products and promotional materials display the  mark and/or the  design in vertical () or other orientations. For example, Applicant's beer cans and tap handles both display Applicant's Mark in a vertical orientation. Similarly, Applicant's website and Applicant's profile picture on its twitter account display the  design in slanted orientations (). Some examples of these vertical and slanted orientations are shown below.

**TABLE 1**



Champion Dec. Ex. 8 (MEC00062380)



Champion Decl. Ex. 9 (MEC00060173)



Champion Decl. Exs. 8, 10 (MEC00062381, MEC00060286)



Applicant's products and promotional materials are also dominated by the  design portion of Applicant's Mark. For example, Applicant's growlers, packaging, t-shirts, tents and stickers all emphasize the  design by displaying it separately from and/or in a larger font than Applicant's full composite mark. As shown below, Applicant uses the design on its products and promotional materials in many of the same or similar ways as Opposer's uses its  mark.

<b>TABLE 2</b>	
 <p>Champion Decl. Ex. 8 (MEC00062393)</p>	 <p>Sacks Decl. Ex. 1</p>
 <p>Champion Decl. Ex. 10 (MEC00062400)</p>	 <p>Sacks Decl. Ex. 1</p>



Champion Decl. Ex. 10 (MEC00060283)



Sacks Decl. Ex. 1



Champion Decl. Ex. 13 (TNB\_000026)



Sacks Decl. Ex. 1



Champion Decl. Ex. 10 (MEC00060284)



Sacks Decl. Ex. 1



Champion Decl. Ex. 8 (MEC00062392)



Sacks Decl. Ex. 5 (MEC00061767)



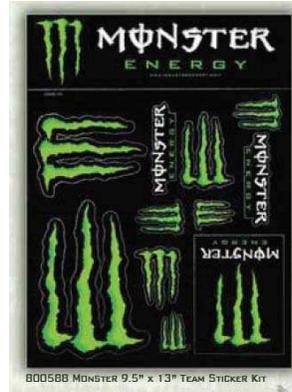
Champion Decl. Ex. 8 (MEC00062379)



Sacks Decl. Ex. 4 (MEC00000244)



Champion Decl. Ex. 10



Sacks Decl. Ex. 5 (MEC00061809)

Applicant's products and promotional efforts are also targeted towards a similar demographic of consumers as Opposer's products. [REDACTED]

[REDACTED] which encompasses a substantial portion of Opposer's key demographic of 18-34 year olds. *Id.* ¶ 15, Ex. 14 (Roth Tr. 240:12-16); Sacks Decl. ¶ 36. Further intensifying the similarities, Applicant's products in can form retail for about \$1.40-\$2.50 per can, which is similar to the retail price of Opposer's cans. Champion Decl. ¶¶ 6, 15, 17, Ex. 5 (Supp. Resp. to Interrog. No. 9), Ex. 8 (Roth Tr. 275:22-276:13), and Ex. 16 (MEC00062425).

[REDACTED]

**III. ARGUMENT**

**A. Summary Judgment Standard**

Summary judgment is appropriate where there is no genuine issue of material fact in dispute and the movant is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c). “When the moving party’s motion is supported by evidence sufficient to indicate that there is no genuine issue of material fact, and that the moving party is entitled to judgment, the burden shifts to the nonmoving party to demonstrate the existence of specific genuinely-disputed facts that must be resolved at trial.” *Filipacchi Presse v. Belle LLC*, 85 U.S.P.Q.2d 1090, 1092 (T.T.A.B. 2007).

The nonmoving party may not simply rely on mere allegations of its pleadings and assertions of counsel to demonstrate that there is a genuine issue of material fact. *Id.* The nonmoving party must point to specific portions of the record or produce additional evidence to demonstrate a genuine issue of material fact. *Id.*

The issue of likelihood of confusion is one of law that may be resolved on summary judgment. *Sweats Fashions, Inc. v. Pannill Knitting Co., Inc.*, 833 F.2d 1560, 4 U.S.P.Q.2d 1793, 1797 (Fed. Cir. 1987). In fact, the Board has often granted summary judgment to a party opposing registration of a trademark application based on a likelihood of confusion. *Octocom Sys. v. Houston Computer Servs.*, 16 U.S.P.Q.2D 1783, 1784 (Fed. Cir. 1990); *Tex. DOT v. Tucker*, 95 U.S.P.Q.2D 1241, 1246 (T.T.A.B. Feb. 5, 2010).

**B. Applicant’s Mark Is Highly Likely to Cause Confusion With Opposer’s Mark**

Whether a likelihood of confusion exists between marks is determined as a matter of law and is decided upon the particular facts of the case. *In re Shell Oil Co.*, 992 F.2d 1204, 26 U.S.P.Q.2d 1687, 1688 (Fed. Cir. 1993); *In re Mighty Leaf Tea*, 601 F.3d 1342, 94 U.S.P.Q.2d 1257, 1261 (Fed. Cir. 2010). Any reasonable doubt should be resolved in favor of the senior user, which is Opposer. *In re Mighty Leaf Tea*, 94 U.S.P.Q.2d at 1259 (“for the newcomer has the opportunity of avoiding confusion, and is charged

with the obligation to do so”). In determining likelihood of confusion, the Board may consider the factors set forth in *In re E. I. Du Pont de Nemours & Co.*, 476 F.2d 1357, 177 U.S.P.Q. 563, 567 (C.C.P.A. 1973). The Board need not consider each and every factor, as certain factors are more probative than others depending on the case. *Han Beauty, Inc. v. Alberto-Culver Co.*, 236 F.3d 1333, 57 U.S.P.Q.2d 1557, 1559 (Fed. Cir. 2001).

### **1. Opposer’s Mark is Strong and Famous**

Opposer’s Mark is entitled to a broad scope of protection. “Fame of an opposer’s mark or marks, if it exists, plays a ‘dominant role in the process of balancing the DuPont factors’ and ‘famous marks thus enjoy a wide latitude of legal protection’” because “famous marks are more likely to be remembered and associated in the public mind than a weaker mark, and are thus more attractive as targets for would-be copyists.” *Bose Corp. v. QSC Audio Prods., Inc.*, 293 F.3d 1367, 63 U.S.P.Q.2d 1303, 1305 (Fed. Cir. 2002) (quoting *Recot, Inc. v. Becton*, 214 F.3d 1322, 54 U.S.P.Q.2d 1894, 1897 (Fed. Cir. 2000)); *Kenner Parker Toys Inc. v. Rose Art Indus. Inc.*, 963 F.2d 350, 22 U.S.P.Q.2d 1453, 1456 (Fed. Cir. 1992) (“As a mark’s fame increases, the [Lanham] Act’s tolerance for similarities in competing marks falls”).

Applicant had a duty to avoid similarities with Opposer’s famous <sup>®</sup> mark when selecting its mark. *See Nina Ricci S.A.R.L. v. E.T.F. Enters. Inc.*, 889 F.2d 1070, 12 U.S.P.Q.2d 1901, 1904 (Fed. Cir. 1989); *see also J&J Snack Foods Corp. v. McDonald’s Corp.*, 932 F.2d 1460, 18 U.S.P.Q.2d 1889, 1892 (Fed. Cir. 1991).

Fame of a mark can be measured by evidence such as the volume of sales, advertising and length of use. *Giant Food, Inc. v. Nation’s Foodservice, Inc.*, 710 F.2d 1565, 218 U.S.P.Q. 390, 394 (Fed. Cir. 1983). Opposer’s voluminous evidence of the fame of Opposer’s Mark is undisputed. Opposer has spent in excess of \$3.5 billion in marketing and promoting its products, including Opposer’s Mark which is prominently displayed on those products. Sacks Decl. ¶ 9. Opposer’s MONSTER<sup>™</sup> brand is the best-selling energy drink brand in the U.S. by unit volume. *Id.* ¶ 10. Opposer’s products bearing its <sup>®</sup> mark are sold in well over 300,000 retail outlets in the U.S., including major retailers such as Costco,

Target, and Wal-Mart. *Id.* ¶ 12. Opposer has sold more than 11 billion cans displaying Opposer’s Mark and total retail sales in the U.S. have been over \$22 billion. *Id.* This overwhelmingly establishes the fame of Opposer’s Mark. *See, e.g., Bose Corp.*, 63 U.S.P.Q.2d at 1306 (listing cases finding fame with only \$200 million, \$300 million and \$25 million in revenues).

Further, survey evidence collected in 2012 and a prior TTAB decision confirm that Opposer’s Mark is famous. In 2012, Dr. Gerald Ford (who passed away last year) performed a secondary meaning survey regarding Opposer’s Mark. Sacks Decl. ¶ 11, Ex. 2 (Ford Decl. ¶ 2). The survey showed that approximately 65% of respondents associated the <sup>®</sup> mark with Opposer or an anonymous single source, and thus is strong evidence of the mark’s fame. *Id.* ¶ 11. *See Anheuser-Busch, Inc. v. Florists Ass'n of Greater Cleveland, Inc.*, 29 U.S.P.Q.2D 1146 (T.T.A.B. Sept. 29, 1993) (survey showing 54% recognition sufficient to support finding of fame); *7-Eleven, Inc. v. Wechsler*, 83 U.S.P.Q.2d 1715, 1723 (T.T.A.B. May 15, 2007) (survey showing 73% public recognition found to be “high degree of public recognition and renown”). The Board has found that Opposer’s MONSTER<sup>™</sup> brand is famous. *See Monster Energy Co. v. Zekser*, Opp. No. 91203340, 2015 WL 4779214, at \*4 (T.T.A.B. July 30, 2015) (non-precedential). In the opinion, the Board explained that Opposer’s displays and promotional materials around which it has built its brand have remained consistent for more than a dozen years. *Id.* The Board also noted that some of Opposer’s most passionate consumers have gone so far as to get tattoos of “Opposer’s famous symbols,” which is a reference to Opposer’s <sup>®</sup> mark. *Id.*

Opposer’s Mark is also inherently distinctive. Opposer’s Mark has no connection to beverages and therefore does not describe any characteristic, feature or quality of Opposer’s goods. Instead, the <sup>®</sup> mark is a strong source identifier. Thus, Opposer’s Mark is commercially and conceptually strong and entitled to broad protection. In sum, this factor weighs heavily in favor of Opposer.

## **2. Applicant’s Mark is Highly Similar to Opposer’s Mark**

The strong similarity between Applicant’s Mark and Opposer’s Mark weighs in favor of a likelihood of confusion. The fame of Opposer’s Mark means that even a minimal level of similarity

would cause a likelihood of confusion. When the senior user's mark is famous "the [Lanham] Act's tolerance for similarities in competing marks falls." *Kenner Parker Toys*, 22 U.S.P.Q.2d at 1456; *see also Century 21 Real Estate Corp. v. Century Life of Am.*, 970 F.2d 874, 23 U.S.P.Q.2d 1698, 1700 (Fed. Cir. 1992) (the fame of opposer's mark "increases the likelihood of confusion with applicant's mark"). Determining the similarity of the marks involves comparing them in their entireties as to appearance, sound, connotation and commercial impression. *Starbucks U.S. Brands, LLC v. Ruben*, 78 U.S.P.Q.2d 1741, 1752 (T.T.A.B. 2006).

Opposer's <sup>®</sup> mark and Applicant's  mark are very similar in appearance. The  design in Applicant's Mark is the dominant portion of the mark, and therefore should be given more weight in analyzing likelihood of confusion. *See Jansen Enters. v. Rind*, 85 U.S.P.Q.2d 1104, 1009 (T.T.A.B. 2007); *Fossil Inc. v. Fossil Grp.*, 49 U.S.P.Q.2d 1451, 1456 (T.T.A.B. 1998). For example, in analyzing composite marks, the Board has repeatedly found the design to be the dominant portion when it is large, prominently displayed, or appears first. *See In re Covalinski*, 113 U.S.P.Q.2d 1166, 1168-69, 2014 WL 7496055, at \*3-4 (T.T.A.B. 2014) (prominently displayed design considered to be dominant over word portion of mark); *Parfums de Coeur Ltd. v. Lazarus*, 83 U.S.P.Q.2d 1012, 1016, 2007 WL 683784, at \*4 (T.T.A.B. 2007) (design portion appearing first considered dominant portion in composite mark). Inversely, descriptive components of the mark are given less weight in analyzing likelihood of confusion. *See, e.g., In re Chatam Int'l Inc.*, 380 F.3d 1340, 1343, 71 U.S.P.Q.2d 1944, 1946 (Fed. Cir. 2004) ("Viewed in their entireties with non-dominant features appropriately discounted, the marks [GASPAR'S ALE for beer and ale and JOSE GASPAR GOLD for tequila] become nearly identical."); *Hewlett-Packard Co. v. Packard Press, Inc.*, 281 F.3d 1261, 1266, 62 U.S.P.Q.2d 1001, 1004 (Fed. Cir. 2002) (finding that, even though applicant's mark PACKARD TECHNOLOGIES (with "TECHNOLOGIES" disclaimed) does not incorporate every feature of opposer's HEWLETT PACKARD marks, a similar overall commercial impression is created).

Here, the  design in Applicant's Mark is the most distinctive element of the mark. It is largely and prominently displayed in stylized detail that draws attention away from the remaining text.

The  design also appears first in the mark which further evidences that it is the dominant portion. *See Eveready Battery Co., Inc. v. Green Planet, Inc.*, 91 U.S.P.Q.2d 1511, 1518 (T.T.A.B. 2009); *In re Paper Doll Promotions, Inc.*, 84 U.S.P.Q.2d 1660, 1668 (T.T.A.B. 2007). The smaller text that follows contains descriptive terms such as "BREWING COMPANY" and "CHARLOTTESVILLE, VA." Even the words "THREE NOTCH'D" are merely descriptive of Applicant's three jagged claw marks and highlight the design element as the dominant feature of the mark. It is also clear from Applicant's marketing materials that the  design is the dominant portion of the mark. *See* Tables 1, 2 (*supra*). 















Applicant's Mark and Opposer's Mark both include a design that consists of three parallel lines with a distressed or scratch-like appearance, as shown below.



The lines in both marks appear as though they were clawed or ripped into the page. [REDACTED]

[REDACTED] Thus, the marks are similar in appearance, connotation, and commercial impression.

Moreover, although Applicant's Mark is displayed horizontally in the Application, Applicant often uses it in a vertical or slanted orientation and there is no restriction or disclaimer in the Application that prevents Applicant from so doing. The Board has previously found confusion between marks, despite differences in orientation between a mark as shown in an application and the opposer's mark. *See Envirotech Corp. v. Solaron Corp.*, 211 U.S.P.Q. 724, 733 (T.T.A.B. 1981) (finding Applicant's



mark to be confusingly similar to Opposer's



mark even though there was no evidence suggesting Applicant had used the mark in any orientation other than as depicted in the application). Here, Applicant is making extensive use of its mark, including the



portion of the mark, in different orientations than those depicted in the Application. *See* Table 1 (*supra*). This weighs in

favor of a likelihood of confusion because Opposer also uses its  mark in a variety of orientations, such as when it is slanted on the Monster Energy Extra Strength Nitrous Technology<sup>®</sup> cans and on some of Opposer's packaging, t-shirts, sweatshirts, and other POS materials. *See* Sacks Decl. ¶ 7, Exs. 1, 5.

Consequently, the horizontal orientation of Applicant's Mark in the Application cannot be relied upon to negate a likelihood of confusion.

The presence of secondary elements in Applicant's Mark fails to distinguish the mark from Opposer's Mark. The Board and courts have repeatedly found the presence of additional words or modified stylings insufficient to distinguish a dominant design in a composite mark. *See, e.g., Time*

*Warner Entm't Co.*, 65 U.S.P.Q.2d 1650, 1663 (T.T.A.B. July 12, 2002) (finding Applicant's  mark

to be confusingly similar to Opposer's  mark, notwithstanding the presence of additional words and differences in depiction); *Copy Cop, Inc. v. Task Printing, Inc.*, 908 F. Supp. 37, 44-45 (D.

Mass. 1995) (finding defendant's  Signal Graphics  mark, notwithstanding the presence of defendant's trade name and traffic signal design in defendant's mark);

*Vogue Co. v. Thompson-Hudson Co.*, 300 F. 509, 511 (6th Cir. 1924) (finding defendant's  mark

confusingly similar to plaintiff's  mark, notwithstanding the presence of additional words and dissimilar drawing within the dominant V-mark). Similarly, the presence of additional descriptive words

and modified stylings of Applicant's  mark fail to distinguish it from Opposer's famous

 mark.

In sum, given the substantial similarities between the marks, as well as Applicant's emphasis on the  design and repeated use of the mark in different orientations, there can be no dispute that Applicant's Mark and Opposer's Mark are likely to be confused by consumers.

### 3. Opposer's Goods and Applicant's Goods are Highly Related

It is not necessary for the parties' respective goods to be identical or even competitive in order to find that they are related for the purpose of a likelihood of confusion analysis. *Joel Gott Wines, LLC v. Rehoboth Von Gott, Inc.*, 107 U.S.P.Q.2d 1424, 1431 (T.T.A.B. Jun. 26, 2013). "The goods need only be sufficiently related that consumers would be likely to assume, upon encountering the goods under similar marks, that the goods originate from, are sponsored or authorized by, or are otherwise connected to the same source." *Id.*; see also *In re Martin's Famous Pastry Shoppe, Inc.*, 748 F.2d 1565, 223 U.S.P.Q. 1289, 1290 (Fed. Cir. 1984) (finding a likelihood of confusion between MARTIN'S in connection with wheat bran and honey bread and MARTIN'S in connection with cheese).

Applicant's goods are beer, which is a beverage. Three of Opposer's registrations are also in International Class 32 and directed towards drinks or beverages.<sup>3</sup> The fact that Opposer's beverage products are or include non-alcoholic beverages does not prevent a likelihood of confusion. *In re Jakob Demmer Kg*, 219 U.S.P.Q. 1199, 1201 (T.T.A.B. July 14, 1983) (no per se rule that alcoholic and non-alcoholic beverages should be deemed unrelated).

Consumers are likely to believe that non-alcoholic beverages and alcoholic beverages, such as beer, sold in connection with a substantially similar mark emanate from the same source, and thus non-alcoholic beverages and beer are related goods. Many businesses sell both alcoholic and non-alcoholic beverages. Sacks Decl. ¶¶ 12, 14, 34 Exs. 3, 18-20; Champion Decl. ¶ 19, Ex. 18. In fact, several companies own trademark registrations and use marks that cover both alcoholic beverages, including

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<sup>3</sup> Opposer's U.S. Trademark Registration 2,903,214 is for "Drinks, namely, carbonated soft drinks, carbonated drinks enhanced with vitamins, minerals, nutrients, amino acids and/or herbs, carbonated and non-carbonated energy or sports drinks, fruit juice drinks having a juice content of 50% or less by volume that are shelf stable, but excluding perishable beverage products that contain fruit juice or soy, whether such products are pasteurized or not." Opposer's U.S. Trademark Registration 3,434,822 is for "Non-alcoholic beverages, namely, energy drinks, excluding perishable beverage products that contain fruit juice or soy." Opposer's U.S. Trademark Registration 3,134,841 is for "Beverages, namely, carbonated soft drinks, carbonated soft drinks enhanced with vitamins, minerals, nutrients, amino acids and/or herbs, carbonated energy and sports drinks, fruit juice drinks having a juice content of 50% or less by volume that are shelf stable, but excluding perishable beverage products that contain fruit juice or soy, whether such products are pasteurized or not."

beer, and non-alcoholic beverages, including soft drinks and energy drinks. Champion Decl. ¶¶ 21-25, Exs. 20-24. Thus, consumers are used to seeing alcoholic and non-alcoholic beverages sold under the same brands, and when consumers encounter Applicant's beer in the marketplace, there is a likelihood that they will assume Applicant's goods are somehow associated with or authorized by Opposer, when in fact they are not.

Moreover, several companies sell products that have characteristics of both beer and non-alcoholic drinks. For example, craft breweries are known to sell craft sodas and root beer in addition to their alcoholic beers. Sacks Decl. ¶¶ 34, Exs. 18-20. Some examples include Henry Weinhard's, which sells beer and root beer, and Abita Brewing Company, which sells both root beer, and "King Cake Soda" along with its flagship alcoholic beer Purple Haze<sup>®</sup>. *Id.* Similarly, the Appalachian Brewing Company sells root beer, birch beer, ginger beer, and three types of craft cola, along with more than 18 different alcoholic beers. *Id.* Opposer itself sells an Ubermonster<sup>®</sup> beverage product described on its label as a "Bio-Activated Non-Alcoholic Energy Brew." *Id.* ¶ 7, Ex. 1.

Other companies sell alcoholic beverages with packaging and marketing that resembles non-alcoholic beverages such as energy drinks. *Id.* ¶ 35, Ex. 21. For example, Four Loko and Spraks both sell fruit flavored malt liquor in brightly colored cans similar to energy drink cans. Four Loko's malt liquor is sold in 23.5 oz. cans in flavors such as "Fruit Punch," "Watermelon," "Black Cherry", and "Strawberry Lemonade." *Id.* Similarly, Sparks, sells its malt liquor products in 16 oz. cans with flavors such as "Iced Tea" and "Blackberry Ultraviolet" which is described on its website as "A HIGHLY CONCENTRATED SURGE OF BLACKBERRY EUPHORIA UNLEASHED ON YOUR TASTE BUDS." *Id.*

Beer is also within Opposer's natural zone of expansion for its product line. T.M.E.P. § 1207.01(a)(v) ("A trademark owner is entitled to protection against the registration of a similar mark on products that might reasonably be expected to be produced by him in the normal expansion of his business."). Consumers would have little difficulty believing a non-alcoholic beverage company such as Opposer was expanding its product line into beer. *See Gioia Macaroni Co. v. Joseph Victori Wines*, 205

U.S.P.Q. 986, 989 (E.D.N.Y. 1979) (finding it likely that the owner of a mark for wine vinegar will bridge the gap for drinking wine). Beer is typically sold in bars and restaurants where Opposer's beverage products are already sold, and have been sold since at least as early 2006. Sacks Decl. ¶ 14. In fact, Opposer recently filed a trademark application for its  mark in connection with restaurant and bar services. Champion Decl. ¶ 25, Ex. 24.

Accordingly, because Applicant's goods and Opposer's goods are highly related, this factor weighs in favor of a finding of likelihood of confusion.

**4. Applicant's Goods and Opposer's Goods Travel through the Same Channels of Trade**

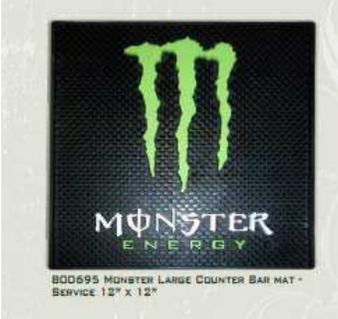
There are no restrictions on channels of trade in Applicant's or Opposer's respective descriptions of goods. Thus, it should be presumed that "the goods move in all channels of trade normal for those goods, and that they are available to all classes of purchasers for those goods." *Joel Gott Wines*, 107 U.S.P.Q.2d at 1432.

Further, where the products are closely related, the Board assumes that the products will be sold in the same channels of trade to the same consumers. *Venture Out Prop. LLC v. Wynn Resorts Holdings LLC*, 81 U.S.P.Q.2d 1887, 1894 (T.T.A.B. 2007) ("Because the services are clearly related, they would be offered in the same channels of trade and offered to the same classes of consumers..."). Accordingly, it should be presumed that Applicant's beer and Opposer's goods travel through the normal channels of trade for beverage products.

Moreover, it is undisputed that Applicant's beer and Opposer's beverages do, in fact, travel through the same channels of trade. 

 Applicant and Opposer both sell their products at gas stations, retail stores, grocery stores, and convenience stores. Champion Decl. ¶¶ 6-8, 16, Ex. 5 (Resp. to Interrog. No. 14), Ex. 6 (Resp. to Request for Admission Nos. 11, 17, and 20), Ex. 7 (TNB\_000050-60), and Ex. 15 (Kastendike Tr. 145:17-147:6, 152:3-153:20); Sacks Decl. ¶ 12. Applicant's and Opposer's products are also both sold through on-premise locations, such as

bars and restaurants. Champion Decl. ¶ 6, Ex. 5 (Resp. to Interrog. No. 14); Sacks Decl. ¶ 14. Opposer also markets its products through on-premise locations including through the use of POS materials, such as bar mats, tip jars, mini-fridges, and bottle openers, as shown below.

<b><u>TABLE 4</u></b>		
 <p>800547 MONSTER COUNTER BAR MAT - RAIL 3" x 20"</p> <p style="text-align: center;">Sacks. Decl. Ex. 5</p>		
 <p>800505 MONSTER BOTTLE OPENER</p> <p style="text-align: center;">Sacks. Decl. Ex. 5</p>	 <p>800695 MONSTER LARGE COUNTER BAR MAT - SERVICE 12" x 12"</p> <p style="text-align: center;">Sacks. Decl. Ex. 5</p>	
 <p>803166 UBERMONSTER MOUNTED BOTTLE OPENER</p> <p>803167 UBERMONSTER BOTTLE CAP OPENER</p> <p style="text-align: center;">Sacks. Decl. Ex. 5</p>	 <p>800879 MONSTER TIP BUCKET</p> <p style="text-align: center;">Sacks. Decl. Ex. 5</p>	 <p>800410 MONSTER 61 COOLER</p> <p style="text-align: center;">Sacks. Decl. Ex. 5</p>

In addition to having identical channels of trade, Applicant and Opposer also target the same consumers. [REDACTED]

[REDACTED] This demographic significantly overlaps with Opposer's target demographic, which includes purchasers between the ages of 18 and 34.

Sacks Decl. ¶ 36. Accordingly, there can be no genuine dispute that the parties use the identical channels of trade and target the same purchasers.

**5. Applicant's and Opposer's Beverages are Relatively Inexpensive and Therefore Are Purchased with Less Care**

It is undisputed that both Applicant's and Opposer's beverages are relatively inexpensive. Opposer's MONSTER ENERGY® drinks retail in stores for about \$2-\$3 per can and Applicant's beer retails for about \$1.40-\$2.50 per can. See Champion Decl. ¶¶ 6, 15, 17, Ex. 5 (Supp. Resp. to Interrog. No. 9), Ex. 14 (Roth Tr. 275:22-276:13), and Ex. 16 (Beer Run website); Sacks Decl. ¶ 17. Moreover, beverages are often an impulse purchase. See *L'Oreal S.A. v. Marcon*, 102 U.S.P.Q.2d 1434, 1441 (T.T.A.B. 2012) (finding that nutritional drinks may be impulse purchases); *Anheuser-Busch, LLC v. Innvopak Sys. Pty Ltd.*, 115 U.S.P.Q.2d 1816, 1827 (T.T.A.B. Aug. 17, 2015) (finding low priced beer to be an impulse purchase). Where, as here, the parties' beverage products at issue are relatively low-priced and subject to impulse buying, the risk of confusion is increased and purchasers are held to a lesser standard of care. *Recot, Inc. v. Becton*, 214 F.3d 1322, 54 U.S.P.Q.2d 1894, 1899 (Fed. Cir. 2000).

**6. There Has Been Little Opportunity for Actual Confusion with Opposer**

Evidence of actual confusion is not necessary to establish a likelihood of confusion. *Herbko, Int'l, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 64 U.S.P.Q.2d 1375, 1380 (Fed. Cir. 2002). Here, Applicant has only sold its products in a few cities in Virginia and did not begin selling products until 2013. Champion Decl. ¶¶ 6, 8, Ex. 5 (Resp. to Interrog. No. 6), Ex. 7 (TNB\_000050-60). Thus, there has not been a substantial opportunity for actual confusion to occur.

Nevertheless, at least two members of the [www.beeradocate.com](http://www.beeradocate.com) forum have publicly commented that Applicant's Mark creates an association with Opposer's Mark. Specifically, during a May 26, 2015 discussion relating to Applicant's Mark, two members stated:

Anyway, looks like Monster did in fact oppose Three Notch'd's attempt to trademark the three slash sideways logo, which is *roughly the same as the monster logo flipped on its side. More similarities than differences to my eyes anyway.*

To my eye, the brewery logo *looks very much like the already registered monster-claw mark*, only rotated 90 degrees. If the graphic is at the center of this, then I happen to agree with Monster on this one.

*Id.* ¶ 26, Ex. 25 (MEC00061649-51). These comments demonstrate that the potential for confusion is high.<sup>4</sup> Thus, this factor weighs in favor of finding confusion likely.

**7. Applicant Intended to Trade Off Opposer's Goodwill**

Although a showing of bad faith is not required for a finding of likelihood of confusion, an applicant's intent to trade off a senior user's goodwill further supports a conclusion that confusion is likely. *DC Comics v. Pan Am. Grain Mfg. Co.*, 77 U.S.P.Q.2d 1220, 1228 (T.T.A.B. 2005); *L'Oreal*, 102 U.S.P.Q.2d at 1442 ("bad faith is strong evidence that confusion is likely, as such an inference is drawn from the imitator's expectation of confusion"). Here, Applicant has admitted that it was familiar with Opposer and Opposer's Mark before Applicant proceeded with the design and selection of Applicant's Mark. Champion Decl. ¶ 7, Ex. 6 (Resp. to Req. for Admis. Nos. 3-5).

The striking similarity between Applicant's Mark and Opposer's Mark suggests intentional copying. *See Reader's Digest Ass'n Inc. v. Conservative Digest Inc.*, 821 F.2d 800, 3 U.S.P.Q.2d 1276, 1279 (D.C. Cir. 1987) ("striking similarity between the trade dress of Reader's Digest and the trade dress of Conservative Digest is itself probative of intentional copying").

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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<sup>4</sup> These statements on the [www.beeradocate.com](http://www.beeradocate.com) forum are admissible as evidence of likelihood of confusion and are not hearsay pursuant to Fed. R. Evid. 801 because they are offered as evidence of state of mind rather than for the truth of the matter asserted. *See Nat'l Rural Elec. Coop. Ass'n v. Suzlon Wind Energy Corp.*, 78 U.S.P.Q.2d 1881, 2006 WL 1151404, n.4 (T.T.A.B. 2006).



10. Applicant Does Not Have the Right to Exclude Others from Using Applicant's Mark on Similar Goods

It is undisputed that Applicant has not established goodwill in Applicant's Mark. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Applicant also has only minimal sales of its goods, which have been limited to seven cities in Virginia. *Id.* ¶ 8, Ex. 7 (TNB\_000050-60). Additionally, Applicant has only been using its marks for a relatively short period of time. *Id.* ¶ 6, Ex. 5 (Resp. to Interrog. No. 7). Thus, Applicant does not have the right to exclude others from using its marks on similar goods.

IV. CONCLUSION

For the foregoing reasons, Opposer respectfully requests that the Board grant its motion for summary judgment that Applicant's Mark is confusingly similar to Opposer's registered marks.

Respectfully submitted,

KNOBBE, MARTENS, OLSON & BEAR, LLP

Dated: February 3, 2016

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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing MEMORANDUM IN SUPPORT OF MOTION FOR PARTIAL SUMMARY JUDGMENT AND MOTION TO SUSPEND PROCEEDINGS has been served on Robert C. Van Arnam by mailing said copy on February 3, 2016 via First Class Mail, postage prepaid to:

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