

UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451  
General Contact Number: 571-272-8500

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Mailed: May 11, 2015

Opposition No. **91217792**

*Andale Energy Drink Co., LLC*

*v.*

*ACP IP, LLC*

**By the Trademark Trial and Appeal Board:**

This matter comes up on Opposer's motion to strike and motion to dismiss the counterclaim, both filed on November 7, 2014. The motions are fully briefed.

Background

A notice of opposition was filed on August 11, 2014, against Application Serial No. 85891919<sup>1</sup> for the mark DALÉ on grounds of priority and likelihood of confusion and lack of a bona fide intent to use. Opposer pleaded common law use as well as U.S. Trademark Registration No. 4455859 for ANDALE!<sup>2</sup>

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<sup>1</sup> Filed April 1, 2013, under Section 1(b) of the Trademark Act for "energy drinks" in International Class 32. A translation of "LET'S GO" was entered into the application.

<sup>2</sup> Filed May 8, 2012, under Section 1(b) for "non-alcoholic beverages, namely, energy drinks, energy shots, sports drinks, soft drinks, and bottled water" in

On September 19, 2014, Applicant filed its answer and counterclaimed to cancel the pleaded registration on grounds of priority and likelihood of confusion and abandonment. On October 9, 2014, the Board instituted the counterclaim and reset the schedule in this matter beginning with Opposer's time to answer the counterclaim, which deadline was set to November 8, 2014.

Preliminary Matters

As Opposer's motion to strike and motion to dismiss were filed prior to the time allowed for its responsive pleading, the motions are timely. *See* Fed. R. Civ. P. 12(b) and (f).

Additionally, Opposer's motion to strike Applicant's first counterclaim of likelihood of confusion is redundant to its motion to dismiss and repeats the arguments therein. As such, the counterclaim will be considered in the context of Opposer's motion to dismiss.

Motion to Strike Affirmative Defenses

By its motion, Opposer seeks to strike ¶¶ 1, 2, 4 and 5 of Applicant's affirmative defenses. Pursuant to Fed. R. Civ. P. 12(f), the Board may order stricken from a pleading any insufficient defense, or any redundant, immaterial, impertinent or scandalous matter. *See also* Trademark Rule 2.116(a) and TBMP § 506.01 (2014). Motions to strike, however, are not favored and matter will not be stricken unless it clearly has no bearing upon

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International Class 32. Registered on December 24, 2013, with a translation of "COME ON!".

the issues in the case. *See Ohio State University v. Ohio University*, 51 USPQ2d 1289, 1292 (TTAB 1999).

*Affirmative Defense No. 2*

Turning first to Affirmative Defense No. 2 of unclean hands, Applicant bases the defense on a claim that the notice of opposition was filed for the purpose of harassment and extortion.

A defense of unclean hands must be supported by specific allegations of misconduct by the plaintiff that, if proved, would prevent the plaintiff from prevailing on its claim. *See Midwest Plastic Fabricators, Inc. v. Underwriters Laboratories Inc.*, 5 USPQ2d 1067, 1069 (TTAB 1987). Furthermore, the misconduct must be related to the plaintiff's claim. *See Tony Lama Co., Inc. v. Di Stefano*, 206 USPQ 176, 179 (TTAB 1980).

It is insufficient to simply assert that Opposer is guilty of unclean hands due to harassment and extortion without pleading any specific allegations to support such claims. But even if more specific allegations had been pleaded, the defense is inapplicable herein as Applicant's claims of harassment and extortion are unrelated to Opposer's claims of priority and likelihood of confusion and lack of a bona fide intent to use. In view thereof, the affirmative defense of unclean hands is hereby **STRICKEN**.

*Affirmative Defense Nos. 1, 4 and 5*

1. The Notice of Opposition fails to state a claim upon which relief can be granted.

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4. Opposer has not been and will not be damaged by the registration of the mark DALÉ.
5. Opposer has not established that it has standing to maintain its claims against Applicant.

An assertion of “no damage” goes to the question of standing. *See, e.g., Universal City Studios Inc. v. Cleveland Museum of Natural History*, 39 USPQ2d 1382, 1384 (TTAB 1996). Failure to state a claim upon which relief can be granted and lack of standing are not affirmative defenses. *See Harjo v. Pro Football Inc.*, 30 USPQ2d 1828, 1830 (TTAB 1994). Nevertheless, since Applicant is permitted under Fed. R. Civ. P. 12(b)(6) to assert “failure to state a claim” as a defense, Opposer may test the sufficiency of its pleading prior to trial by moving under Fed. R. Civ. P. 12(f) to strike the defense from the answer. *Order of Sons of Italy in America v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1222 (TTAB 1995).

In order to withstand the assertion that Opposer has failed to state a claim for relief, Opposer need only allege such facts as would, if proved, establish (1) that it has standing to maintain the proceeding, and (2) that a valid ground exists for opposing the mark. *See Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000).

On the question of standing, a plaintiff need only demonstrate that it has a “real interest,” i.e., a personal stake, in the outcome of the proceeding and a reasonable basis for its belief of damage. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999). A belief in likely damage can be shown by establishing a direct commercial interest. *See International Order*

*of Job's Daughters v. Lindeburg & Co.*, 727 F.2d 1087, 220 USPQ 1017, 1019 (Fed. Cir. 1984). The purpose of the standing requirement is to avoid litigation where there is no real controversy between the parties, i.e., to weed out intermeddlers. *See Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

Here, Opposer has pleaded Registration No. 4455859 for ANDALE! in standard characters for “non-alcoholic beverages, namely, energy drinks, energy shots, sports drinks, soft drinks, and bottled water” in International Class 32. This registration is sufficient to demonstrate Opposer’s direct commercial interest in this proceeding and, therefore, its standing. *See Cunningham v. Laser Golf Corp.*, 55 USPQ2d at 1844.

The Board further finds that Opposer has sufficiently pleaded its claim of priority and likelihood of confusion under Section 2(d). Opposer has alleged a prior proprietary right, vis-à-vis Applicant, and that Applicant’s use of its mark in connection with Applicant’s goods is likely to cause confusion with Opposer’s mark. *See Notice of Opposition*, 1 TTABVUE 4-5. Accordingly, Defense Nos. 1, 4 and 5 are hereby **STRICKEN**.

Motion to Dismiss Counterclaim of Likelihood of Confusion

Similarly, Opposer asserts that Applicant has failed to sufficiently assert a claim of priority and likelihood of confusion and seeks to dismiss the counterclaim under Fed. R. Civ. P. 12(b)(6).

Applicant has standing to bring a counterclaim against Opposer's pleaded registration by virtue of its position as a defendant in the opposition. *See Aries Systems, Corp. v. World Book Inc.*, 26 USPQ2d 1926, 1930 n.12 (TTAB 1993). Opposer does not contend otherwise.

However, in reviewing Applicant's counterclaim, the Board finds the likelihood of confusion claim insufficient. Specifically, the pleading identifies ACP IP, LLC ("ACP"), the Applicant, as a trademark holding company for a separate entity, i.e., Armando Perez aka Pitbull, who is not involved in this proceeding. Notwithstanding that ACP and Mr. Perez are separate entities, ACP references both itself and Mr. Perez as "Applicant" throughout the pleading of the likelihood of confusion claim and essentially asserts a prior proprietary right in the subject mark in connection with goods and services beyond the scope of the goods in the involved application based on use of the mark attributed to Mr. Perez.

In view of ACP's failure to plead a prior proprietary right in the subject mark sufficient to support a claim of priority and likelihood of confusion, Opposer's motion to dismiss the Section 2(d) counterclaim is hereby **GRANTED**.

Conclusion

As it is the general practice of the Board to allow a party an opportunity to correct a defective pleading, particularly when the pleading is the initial one, *see Miller Brewing Co. v. Anheuser-Busch Inc.*, 27 USPQ2d 1711, 1714

(TTAB 1993), Applicant is hereby allowed until **JUNE 10, 2015**, to replead its **Section 2(d)** counterclaim and any of the stricken defenses if Applicant believes it has a basis for doing so, failing which this matter will proceed on Applicant's answer and counterclaim as stricken. Should Applicant serve and file an amended answer and counterclaim, Opposer is allowed until **JULY 10, 2015**, to answer or to otherwise move in relation thereto.

Dates are **RESET** as follows:

Deadline for Discovery Conference	7/31/2015
Discovery Opens	7/31/2015
Initial Disclosures Due	8/30/2015
Expert Disclosures Due	12/28/2015
Discovery Closes	1/27/2016
Plaintiff's Pretrial Disclosures	3/12/2016
30-day testimony period for plaintiff's testimony to close	4/26/2016
Defendant/Counterclaim Plaintiff's Pretrial Disclosures	5/11/2016
30-day testimony period for defendant and plaintiff in the counterclaim to close	6/25/2016
Counterclaim Defendant's and Plaintiff's Rebuttal Disclosures Due	7/10/2016
30-day testimony period for defendant in the counterclaim and rebuttal testimony for plaintiff to close	8/24/2016
Counterclaim Plaintiff's Rebuttal Disclosures Due	9/8/2016
15-day rebuttal period for plaintiff in the counterclaim to close	10/8/2016

Brief for plaintiff due	<b>12/7/2016</b>
Brief for defendant and plaintiff in the counterclaim due	<b>1/6/2017</b>
Brief for defendant in the counterclaim and reply brief, if any, for plaintiff due	<b>2/5/2017</b>
Reply brief, if any, for plaintiff in the counterclaim due	<b>2/20/2017</b>

IN EACH INSTANCE, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

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