

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

Mailed: July 9, 2015

Opposition No. 91221761

Amusement Art, LLC

v.

Alliance Defending Freedom and
Allilance Defending Freedom

**M. Catherine Faint,
Interlocutory Attorney:**

Pursuant to Fed. R. Civ. P. 26(f) and Trademark Rules 2.120(a)(1) and (2), the parties to this proceeding conducted a discovery conference on July 8, 2015 with Board participation. Opposer requested Board participation in such conference via telephone call about June 30, 2015. Participating in the conference were Opposer's counsel, Michaelangelo G. Loggia, Atty., and Applicant's counsel, Charles M. Allen, Atty. This order memorializes what transpired during the conference as well as providing additional guidance for both parties.

The Board asked if the parties were involved in any other Board proceeding (to determine whether consolidation was appropriate) or in litigation in court (to determine whether suspension was appropriate). The Board was informed that the parties were not so involved. The parties also informed the Board that they have not previously discussed settlement.

1. Traditional Service with Courtesy Copies via Email

The parties discussed the email service option now available under Trademark Rule 2.119(b)(6) (“Electronic transmission when mutually agreed upon by the parties.”). The parties did not agree to this option, but did agree to continue using traditional service options, and to provide courtesy copies via email when any paper is served.

2. The Board’s Standard Protective Order

The Board advised the parties that the Board’s standard protective order was in place in this case governing the exchange of confidential and proprietary information and materials. The parties may view the order here:

<http://www.uspto.gov/trademarks-application-process/appealing-trademark-decisions/standard-documents-and-guidelines-0>. Opposer’s counsel wished to have a signed version of the standard protective order entered into the proceeding, and Applicant agreed. Opposer’s counsel has THIRTY DAYS from the date of this teleconference to prepare a copy of the order, signed by counsel for both sides, and to submit the signed version to the Board for approval and entry into this proceeding.

3. Pleadings/Scope of Discovery

With regard to the pleadings, the Board noted that the notice of opposition alleges priority and likelihood of confusion. The Board noted that there are several attachments to the notice of opposition. Except for a status and title copy of a plaintiff’s registration, exhibits attached to a pleading are not evidence on behalf of the party to whose pleading they are attached unless, during the time for taking testimony, the

attachments are properly identified and introduced in evidence as exhibits. Trademark Rule 2.122; *Equine Touch Foundation, Inc. v. Equinology*, 91 USPQ2d 1943, 1945 (TTAB 2009); *see also*, TBMP § 317.

The answer denies the salient allegations in the complaint and asserts four “affirmative defenses.” Pursuant to Fed. R. Civ. P. 12(f), the Board may order stricken from a pleading any insufficient or impermissible defense. *See* Trademark Rule 2.116(a); and TBMP § 506.

a. First Affirmative Defense

By its First Affirmative Defense, Applicant alleges Opposer has failed to state a claim upon which relief may be granted. While Rule 12(b) (6) permits a defendant to assert in its answer the “defense” of failure to state a claim upon which relief can be granted, it necessarily follows that the plaintiff may utilize this assertion to test the sufficiency of the plaintiff’s pleading in advance of trial by moving under Rule 12(f) of the Federal Rules of Civil Procedure to strike the “defense” from the defendant’s answer. *See also Order of Sons of Italy*, 36 USPQ2d at 1222. Thus, the striking of the defense that a complaint fails to state a claim upon which relief could be granted may be appropriate when the legal sufficiency of the plaintiff’s pleading is readily apparent. *See 5C Wright & Miller*, § 1381.

At the pleading stage, a complaint “must contain sufficient factual matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Doyle v. Al Johnson’s Swedish Rest. & Butik, Inc.*, 101 USPQ2d 1780, 1782 (TTAB 2012) *citing Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). In the context of *inter partes* proceedings

before the Board, the claimant must plead factual content that allows the Board to draw a reasonable inference that the plaintiff has standing and that a valid ground for cancellation exists. *Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998); TBMP § 503.02.

After a review of the notice of opposition, the Board finds that Opposer has adequately pleaded facts, which, if proven at trial, would establish its standing. Specifically, Petitioner has alleged common law use of a similar mark for similar services and a belief in damage. Pleading of a belief in damage is adequate for pleading standing. Also Petitioner has adequately alleged grounds for relief.

In view thereof, the First Affirmative Defense is **stricken**.

b. Fourth Affirmative Defense

Applicant's Fourth Affirmative Defense "gives notice" that Applicant may in the future rely upon any other affirmative defense that may arise, and reserves a right to amend its answer. Applicant should note that a defendant cannot reserve some unidentified defenses, because such a "reservation" does not provide plaintiff with fair notice of any such defenses. Whether or not Applicant may, at some future point, add an affirmative defense would be resolved by way of a motion to amend for Board approval. *See Fed. R. Civ. P. 15(a)*. In view thereof, Applicant's Fourth Affirmative Defense is **stricken**.

c. Remaining Defenses

Applicant's remaining defenses are more in the nature of amplifications of Applicant's denials. *See Morgan Creek Prods., Inc. v. Foria Int'l, Inc.*, 91 USPQ2d 1134,

1136 (TTAB 2009) (applicant's "affirmative defenses" amplified its denials of opposer's allegations regarding likelihood of confusion); *Humana Inc. v. Humanomics Inc.*, 3 USPQ2d 1696, 1697 n.5 (TTAB 1987) (allegations under heading "affirmative defenses" were arguments in support of denial of claim rather than true affirmative defenses and were treated as such).

d. Electronically Stored Information (ESI)

There was some discussion of ways to possibly streamline discovery, and the parties stipulated that electronically stored information (ESI), if there is any in this case, would be provided in PDF format with the right to seek native format for the ESI if required, except that spreadsheets, if any, would be provided in native format.

The parties are reminded that the Board is an administrative tribunal that determines the registrability of trademarks. If the case should progress so far, the parties should be mindful when submitting trial evidence to the Board that the better practice is to focus on supporting, only to the extent required by the pertinent burden of proof, the facts to be established.

e. Mistake in Identification of Applicant

In its answer, Applicant indicated that its name is "incorrectly identified as 'Allilance [sic] Defending Freedom' in U.S. Trademark Application 86/309730." The Board informed Applicant that the correct procedure is to file a motion with the Board requesting amendment of the application to set out Applicant's name in the correct legal form as "Alliance Defending Freedom." See TMEP § 803. The

motion need not be accompanied by an affidavit or declaration. *See* TMEP § 1201.02. The Board has amended the heading of this proceeding to reflect the name of Applicant as set out in both applications.

During the discovery conference it was agreed that Applicant would file a motion to amend the application, and Opposer stipulated to the amendment of Applicant's application to set out the name in the correct legal form. Applicant is allowed until THIRTY DAYS from the date of this teleconference to submit the motion to the Board.

4. Accelerated Case Resolution ("ACR")

The Board encourages settlement of matters between the parties. While the Board does not conduct settlement conferences, there is an ACR procedure available. The Board explained that the ACR procedure is an expedited procedure for obtaining a final decision from the Board. In order to pursue ACR, the parties must stipulate that the Board can make findings of fact. The parties may review the more detailed information about ACR at the Board's website.

The parties were interested in the ACR procedure, but needed more time to conduct some initial discovery. Should the parties agree to use the ACR procedure, the parties are reminded that they may stipulate to facts after the close of the initial disclosure period and to a shortening of the discovery period. *See* Trademark Rule 2.120(a)(2). The Board advises the parties that if the parties agree to pursue ACR, they should notify the Board in writing as soon as possible.

The parties also wished to discuss settlement among themselves after the discovery conference, and were encouraged to do so.

5. Initial Disclosures

Pursuant to the Board's rules, neither the exchange of discovery requests nor the filing of a motion for summary judgment, except on the basis of res judicata or lack of Board jurisdiction, can occur until the parties have made their initial disclosures, as required by Fed. R. Civ. P. 26(f).

The Board clarifies that under Trademark Rule 2.120(a)(3), "A party must make its initial disclosures prior to seeking discovery, absent modification of this requirement by a stipulation of the parties approved by the Board, or a motion granted by the Board, or by order of the Board." Thus once an individual party has made its initial disclosures it may serve discovery, even if the other party has not yet served its initial disclosures. The Board views this as a means to aid settlement discussions between the parties.

6. Schedule

Dates remain as set in the Board's institution order, as copied below.

Discovery Opens	7/9/2015
Initial Disclosures Due	8/8/2015
Expert Disclosures Due	12/6/2015
Discovery Closes	1/5/2016
Plaintiff's Pretrial Disclosures	2/19/2016
Plaintiff's 30-day Trial Period Ends	4/4/2016

Defendant's Pretrial Disclosures	4/19/2016
Defendant's 30-day Trial Period Ends	6/3/2016
Plaintiff's Rebuttal Disclosures	6/18/2016
Plaintiff's 15-day Rebuttal Period Ends	7/18/2016

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 the taking of testimony. Trademark Rule 2.125.

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