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

Proceeding	91224783
Party	Plaintiff Naked Brand Group, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

RE: U.S. Trademark Application Serial No. 86/063139  
Published in the Official Gazette on 7 July 2015

<b>NAKED BRAND GROUP, INC.</b>	)	
	)	
Opposer/Respondent	)	
	)	Opposition No.91224783
-v-	)	
	)	
<b>BADIH KHAMIS</b>	)	
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Applicant/Peititoner	)	
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**OPPOSER’S MOTION TO DISMISS APPLICANT’S  
COUNTERCLAIM PURSUANT TO FED. R. CIV. P. 12(b)(6)**

**I. Introduction**

On January 19, 2016, Applicant Badih Khamis (“Khamis” or “Applicant”) filed both an Answer to the Notice of Opposition filed by Naked Brand Group, Inc. (“Naked Brand” or Opposer”) against his Application for Registration of the mark NAKED UNDERNEATH (Appl. Ser. No. 86/063,139) and also a Counterclaim for Cancellation of Naked Brand’s U.S. Registration for the mark NAKED (Reg. No. 3,669,650) on grounds that the term NAKED is generic and ineligible for registration. *See* Doc. Nos. 9 and 10. Those claims, even affording Applicant the most charitable reading and viewed in the light most favorable to Applicant, completely fail to set forth facts that would support a cognizable legal claim for cancellation of Opposer’s NAKED mark on grounds that the trademark has become generic. In fact, from the actual allegations set forth in the Counterclaim, Applicant not only fails to state an actionable

claim, but includes multiple admissions that the NAKED trademark is not generic when applied to Opposer's goods. Accordingly, Applicant has not, and cannot, state any plausible set of facts in support of his claim that Naked Brand's registered NAKED trademark has become generic. As such, Applicant's Counterclaim must be dismissed with prejudice.

## **II. Statement of Facts**

Opposer Naked Brand is the registered owner (by assignment) of the trademark NAKED, Registration No. 3,669,650, registered on 18 August 2009 (the "NAKED Mark"), and covering goods described as "t-shirts, tops, loungewear, pajamas, boxer shorts, undergarments, tank tops, lingerie, bras, camisoles, chemises, nightgowns, peignoir sets, teddies, pajamas, robes, bathrobes" (the "Opposer's Goods").

Opposer is also the owner of multiple other NAKED-formative registered marks, including but not limited to, NAKED ATHLETICS, NAKED ATTRACTION, NAKED BOUND, NAKED ECTASY, NAKED EROTIA, NAKED FANTASY, NAKED INNOCENCE, NAKED KISS, NAKED LOVE, and NAKED OBSESSION (the "Naked-Family of Marks").

Applicant is the owner of pending Intent to Use Trademark Application for the mark NAKED UNDERNEATH, filed 12 September 2013, Application Ser. No. 86/063,139 (the "NAKED UNDERNEATH Application"), and covering goods described as "clothing, namely, Underwear, Bath Robes, Shirts, T-Shirts, Sweaters, Pants" (the "Applicant's Goods").

On 4 November 2015, Opposer filed a Notice of Opposition, relying upon its NAKED Mark and Naked-Family of Marks, in opposition to Applicant's Intent-to-Use NAKED UNDERNEATH Application. Doc. No. 1.

On 18 January 2016, Applicant filed its Answer to the Notice of Opposition and subsequently on 19 January 2016, his Counterclaim for Cancellation of Registration of Opposer's NAKED Mark. Doc. Nos. 9 and 10.

As grounds for Cancellation, Applicant alleges that the mark NAKED is generic generally, without any reference to the necessary elements to support a cause of action for genericism, nor addresses in the slightest any connection between Opposer's goods and the NAKED Mark. *See* Doc. No. 10.

Applicant's Counterclaim also specifically states (in multiple locations) that NAKED is not the genus of Opposer Goods. *See* Doc. No. 10 at ¶¶ 10, 13. These admissions each support a finding that Opposer's NAKED Mark is not generic and thus Applicant has no legal grounds upon which to maintain a cause of action for cancellation of the NAKED Mark.

### **III. Argument**

#### **A. Legal Standard**

Under Rule 12(b)(6) of the Federal Rules of Civil Procedure, the Board should dismiss a complaint [or counterclaim] for failure to state a claim upon which relief can be granted when the plaintiff fails to plead "factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Ashcroft v. Iqbal*, 556 U.S. 662, 663 (2009) (quoting *Bell v. Twombly*, 550 U.S. 544, 570 (2007)). "Threadbare recitals of the elements of a cause of action, supported by mere conclusory statements" are insufficient to survive a motion to dismiss. *Iqbal*, 556 U.S. at 678. Although a counterclaim need not contain detailed factual allegations, it must raise a right to relief above the speculative level. *See Twombly*, 550 U.S. at 555. "[L]abels and conclusions or a formulaic recitation of the elements of

a cause of action” are not sufficient to state a claim. *Iqbal*, 556 U.S. at 678 (quotations and citation omitted).

Accordingly, to survive a 12(b)(6) motion, a complaint [or counterclaim] must contain sufficient factual matter, as accepted as true, to “state a claim to relief that is plausible on its face.” *See Iqbal*, 556 U.S. at 678, quoting *Twombly*, 550 U.S. at 570. In ruling on a 12(b)(6) motion, the Board must accept as true all allegations in the complaint, though the court need not accept conclusory allegations or legal conclusions. *Id.* If a party has not plead facts entitling it to relief, “this basic deficiency should . . . be exposed at the point of minimum expenditure of time and money by the parties and the court.” *Twombly*, 550 U.S. at 558 (*citing* 5 Wright & Miller, Federal Practice & Procedure § 1216, at 233–34).

**B. Applicant Fails to Allege Facts Sufficient to Support a Claim that the NAKED Mark is Generic as Applied to Opposer’s Goods**

Opposer is cognizant that the Applicant is appearing *pro se* as the owner of the NAKED UNDERNEATH Application, subject of the underlying Opposition. While Opposer recognizes that there are not separate pleading standards afforded trademark counsel v. individual trademark applicants, Opposer appreciates that certain benefits and courtesies are owed to the less sophisticated *pro se* applicants/petitioners in their drafting. Those benefits and courtesies, however, may not simply disregard the statutory law upon which a successful petitioner must rely. That is, while the Trademark Trial and Appeal Board may consider giving an applicant the benefit of the doubt on what was meant by certain allegations, and may work to find elements of a claim within the cause of action, the Board cannot simply ignore that Applicant’s Counterclaims fail to allege the most basic of elements to a genericness claim, and thus, even if all facts set forth in the counterclaim are true, the result does not equate to a finding that the Opposer’s NAKED Mark is generic as applied to Opposer’s Goods.

Here Applicant alleges that Opposer's NAKED Mark as asserted in the underlying Notice of Opposition, is generic and is subject to cancellation. Whether a trademark may be found generic is governed by 15 U.S.C. § 1064(3). Specifically, Section 1064(3) provides:

A petition to cancel a registration of a mark, stating the grounds relied upon, may upon payment of the prescribed fee, be filed as follows by any person who believes that he is or will be damaged, ..., by the registration of a mark on the principal register established by this Act...

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(3) At any time if the registered mark becomes the **generic name for the goods or services, or a portion thereof, for which it is registered, or is functional, or has been abandoned, ....**

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If the registered mark becomes the generic name for less than all of the goods or services for which it is registered, a petition to cancel the registration for only those goods or services may be filed. A registered mark shall not be deemed to be the generic name of goods or services solely because such mark is also used as a name of or to identify a unique product or service. The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used.

15 U.S.C. § 1064(3) (emphasis added). Essentially, generic marks are those trademarks that “constitute a common descriptive name” such that the “term is one that refers to the genus of which the particular product is a species.” *Park ‘N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 194–95 (1985). In order to find a trademark generic the following two questions must be answered:

- (1) what is the genus of the goods or services at issue?

- (2) does the relevant public understand the designation primarily to refer to that genus of goods and/or services?

*In re 1800Mattress.com IP, LLC*, 586 F.3d 1359 (Fed. Cir. 2009), quoting *H. Marvin Ginn v. International Association of Fire Chiefs*, 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986). Accordingly, any allegation in a Petition for Cancellation (here Counterclaim for Cancellation), must either explicitly state that the “term is one that refers to the genus of which the particular product is a species” or at least allege facts that would ultimately support such a finding.

Moreover, to establish a basis for cancellation, Applicant was required to plead factual matter supporting that that the mark (1) has “become[] the generic name for the goods or services...for which it is registered”; and (2) he will be damaged if the mark is not cancelled. 15 U.S.C. § 1115(b)(8); 15 U.S.C. § 1064(3). Applicant plead no facts to support such a claim. Further, Applicant failed to allege that he would be damaged. Applicant’s bare legal conclusions fail to state a claim, and for this reason alone, the claim must be dismissed. *See Iqbal*, 556 U.S. at 678; *Twombly*, 550 U.S. at 555, 558.

In fact, Applicant’s genericness claim is based solely on some purported belief that only famous marks such as Nike, Adidas, Coke, Pepsi, and Kleenex are capable of distinction as trademarks, while a trademark such as NAKED lacks a similar capacity. *See* Doc. 9 at ¶¶ 5, 14. To support a claim for genericness, Applicant contends that unless a trademark is well known for a particular product, such as Nike, Kleenex or Coke, it is otherwise generic. *See id.* Moreover, because the term NAKED is not immediately recognized by an overwhelming percentage of the general public, Applicant contends it must be generic. This is neither an accurate representation of trademark law on genericism, nor is it capable in resulting in an actionable claim for cancellation based on genericism. Applicant seems to conflate the overall strength of a

trademark (or lack of inherent strength) with a finding that a trademark is generic, regardless and irrespective of any goods or services associated therewith. For this reason alone, even granting Applicant the most charitable claim reading, Applicant's Counterclaim simply fails to allege any facts necessary to support an actionable claim for cancellation of the NAKED Mark as generic, and thus, as instructed in *Twombly*, such claim should be "exposed at the point of minimum expenditure of time and money by the parties and the court" and dismissed pursuant to Fed.R.Civ.P. 12(b)(6).

**C. Even if a Valid Cause of Action May be Found in the Counterclaim, Applicant Argues AGAINST the NAKED Mark Being Generic**

Applicant not only fails to recite any of the necessary elements for an actionable claim to cancel a trademark as generic, but instead, Applicant actually argues in his Counterclaim against a finding that the NAKED Mark is generic of Opposer's Goods. Specifically, in Paragraphs 10 and 13 of the Counterclaim, Applicant states:

"NAKED is a commonly used word in the English language. It does not describe the genus of the goods identified in Opposers registration under International Class 025"; and

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"Applicant's plea of claim of Genericness for the Trademark NAKED is due to the fact that it clearly does not apply to any specific goods of the Opposer and the general consumer is very unlikely to understand that NAKED primarily describes the genus of the goods being sold by Naked Brand Group Inc."

Doc. No. 10, at ¶¶ 10, 13 (emphasis added). These facts, each taken in the light most favorable to the Applicant/Petitioner, may only lead to one result: (a) that the term NAKED does not identify the genus of goods set forth in Opposer's Registration; and (b) that Applicant does not contend that the "relevant public understand[s] the designation primarily to refer to that genus of goods and/or services" of Opposer. Thus, in Applicant's own words, "accept[ing] as true all

allegations in the complaint”, Applicant has explicitly negated each of the necessary elements of a claim for cancellation on account of the trademark being the generic name for the goods. As a result, Applicant cannot successfully pursue his claim, and the Counterclaim must be dismissed for failure to state a claim upon which relief may be granted.

#### **IV. Conclusion**

For the reasons stated above, Applicant has failed to both properly plead a claim for cancellation of the NAKED Mark on account of the trademark becoming generic, and even if a claim may be unearthed from the allegations set forth in the Counterclaim, the factual admissions in Applicant’s Counterclaim argue against the NAKED Mark being generic. Accordingly, the Board should dismiss the Counterclaims with prejudice.

Respectfully submitted,

Date: 10 March 2016

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**CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the foregoing Motion to Dismiss was served on Applicant this 10<sup>th</sup> day of March 2016 by sending same via First Class Mail, postage prepaid, to:

Badih Khamis  
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By:           /michael leonard./