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

Proceeding	91224791
Party	Defendant Glanbia Nutritionals (Ireland) Limited
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Marks: TRU SOURCE, TRUSOURCE, and 
Published in the Official Gazette on August 11, 2015

THRESHOLD ENTERPRISES LTD.,
Opposer,

v.

GLANBIA NUTRITIONALS (IRELAND)
LIMITED,
Applicant.

Opposition No. 91/224,750 (parent)
Opposition No. 91/224,791

Serial Nos. 86/565,379, 86/565,384,
86/639,547 and 86/639,563

OPPOSITION AND RESPONSE TO OPPOSER’S MOTION TO DISMISS

Glanbia Nutritionals (Ireland) Limited (“GNIL” or “Applicant”) hereby opposes and responds to Threshold Enterprises Ltd.’s (“Threshold” or “Opposer”) Motion to Dismiss as set forth below. In connection with this response, Applicant additionally files an Amended Answer to the Notice of Opposition herewith.

Further to Fed. R. Civ. Proc. 15(a)(1)(B), a pleading may be amended as a matter of course within 21 after service of a motion under Rule 12(b). Applicant submits its amended pleading herewith and as such renders Opposer’s Motion to Dismiss moot. *See e.g., Dragon Bleu (SARL) v. VENM, LLC*, 112 USPQ2d 1925, 1926 (TTAB 2014). Applicant requests that the Trademark Trial and Appeal Board enter Applicant’s amended pleading, deny Opposer’s Motion to Dismiss as moot and set the schedule for Opposer’s answer.

Respectfully submitted,

GLANBIA NUTRITIONALS (IRELAND)
LIMITED

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Dated: February 29, 2016

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing OPPOSITION AND RESPONSE TO OPPOSER'S MOTION TO DISMISS has been served on counsel for Opposer by mailing said copy on February 29, 2016, via First Class Mail, postage prepaid to:

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AMENDED ANSWER TO NOTICE OF OPPOSITION

INTRODUCTION

U.S. Trademark Application Serial No. 86/639,563 for the mark  (“Applicant’s Mark”), in the name of Glanbia Nutritionals (Ireland) Limited, an Ireland limited liability partnership (“Applicant”), were published for opposition in the Official Gazette on August 11, 2015. Threshold Enterprises Ltd. (“Threshold Enterprises”), a corporation of Delaware with its principal place of business at 23 Janis Way, Scotts Valley, California 95066, believes it will be damaged by the registration of Applicant’s Mark in International Classes 05 and 32, and hereby opposes the same, in accordance with Section 13 of the Trademark (Lanham) Act of 1946, 15 U.S.C. § 1063.

¹ Per the Board’s Order mailed December 9, 2015, Opposition No. 91224750 and 91224791 are consolidated and Opposition No. 91224750 was designated the “parent case.” The Board’s Order further stated that separate answers should be filed in each opposition prior to commencing the practice of filing a single copy in the parent case. Both consolidated oppositions are listed in the caption but separate amended answers will be filed in each opposition.

Threshold Enterprises has obtained the necessary extensions of time in which to file this Notice of Opposition.

As grounds for the opposition, Threshold Enterprises alleges as follows:

ANSWER TO THE ALLEGATIONS IN THE INTRODUCTION:

Applicant admits that Appl. Ser. No. 86/639,563 was filed in the name of Glanbia Nutritionals (Ireland) Limited (“GNIL”). Applicant denies that GNIL is an Ireland limited liability partnership. Applicant states that GNIL is a limited company organized under the laws of Ireland. Applicant is without sufficient knowledge or information sufficient to form a belief as to the truth of the allegations regarding Threshold Enterprises and therefore denies the same. Applicant denies the remaining allegations in the Introduction.

ALLEGATION NO. 1:

On information and belief, Applicant is an Ireland limited liability partnership with a principal place of business at Glanbia House, Kilkenny, Ireland.

ANSWER:

Applicant denies that GNIL is a Ireland limited liability partnership. Applicant states that GNIL is a limited company organized under the laws of Ireland. Applicant admits that GNIL’s business address is Glanbia House, Kilkenny, Ireland.

ALLEGATION NO. 2:

Applicant filed an application for  on or about May 22, 2015, seeking registration for Applicant’s Goods.

ANSWER:

Applicant admits that it filed an application for  on or about May 22, 2015 seeking registration for its mark in connection with dietary and nutritional supplements in class 5

and sports training drinks containing dietary and nutritional supplements, namely, ready to drink beverages; energy drinks; sports drinks in class 32.

ALLEGATION NO. 3:

Threshold Enterprises is the owner of incontestable U.S. Trademark Registration No. 1,909,705 for SOURCE NATURALS for “vitamins, herbs and nutritional supplements.” SOURCE NATURALS was originally registered by Source Natural, Inc., a wholly owned subsidiary of Threshold Enterprises, and was later assigned to Threshold Enterprises. This registration is valid, subsisting, uncancelled and conclusive evidence of Threshold Enterprises’ exclusive right to use SOURCE NATURALS in commerce or in connection with the goods specified in the registration.

ANSWER:

Applicant admits that the records of the U.S. Patent and Trademark Office indicate that Threshold Enterprises is the listed owner of Reg. No. 1,909,705 by way of assignment from Source Natural, Inc. As to the remaining allegations in Allegation No. 3, Applicant is without sufficient knowledge or information sufficient to form a belief as to the truth of Allegation No. 3 and therefore denies the same.

ALLEGATION NO. 4:

Since at least thirty years prior to Applicant’s filing date for Applicant’s Marks, Threshold Enterprises adopted and has continuously used its SOURCE NATURALS mark and its trade name SOURCE NATURALS, INC. in connection with vitamins, herbs and nutritional supplements. SOURCE NATURALS is a prominent national brand, with products available nationwide in all major markets.

ANSWER:

Applicant is without sufficient knowledge or information sufficient to form a belief as to the truth of Allegation No. 4 and therefore denies the same.

ALLEGATION NO. 5:

Threshold Enterprises is the owner of U.S. Trademark Registration No. 3,930,397 for SOURCE NATURALS for “cosmetics, namely, ointments, gels, creams, lotions, moisturizers, oils, serums, salves and bath oils, all of which are used for the skin.” This registration is valid, subsisting, uncancelled and conclusive evidence of Threshold Enterprises’ exclusive right to use

SOURCE NATURALS in commerce or in connection with the goods specified in the registration.

ANSWER:

Applicant admits that the records of the U.S. Patent and Trademark Office indicate that Threshold Enterprises is the listed owner of Reg. No. 3,930,397. As to the remaining allegations in Allegation No. 5, Applicant is without sufficient knowledge or information sufficient to form a belief as to the truth of Allegation No. 5 and therefore denies the same.

ALLEGATION NO. 6:

Since at least ten years prior to Applicant's filing date for Applicant's Marks, Threshold Enterprises adopted and has continuously used its SOURCE NATURALS mark in connection with cosmetics, namely, ointments, gels, creams, lotions, moisturizers, oils, serums, salves and bath oils, all of which are used for the skin. SOURCE NATURALS is a prominent national brand, with products available nationwide in all major markets.

ANSWER:

Applicant is without sufficient knowledge or information sufficient to form a belief as to the truth of Allegation No. 6 and therefore denies the same.

ALLEGATION NO. 7:

Threshold Enterprises is the owner of U.S. Trademark Registration No. 4,837,774 for SOURCE for "Dietary supplements; herbal supplements; nutritional supplements; food supplements; vitamins" in Class 05 and "Wholesale distributorship and mail order catalog services in the field of dietary, herbal, nutritional, and food supplements and vitamins" in Class 35. This registration is valid, subsisting, uncancelled and conclusive evidence of Threshold Enterprises' exclusive right to use SOURCE in commerce or in connection with the goods and services specified in the registration.

ANSWER:

Applicant admits that the records of the U.S. Patent and Trademark Office indicate that Threshold Enterprises is the listed owner of Reg. No. 4,837,774. As to the remaining allegations in Allegation No. 7, Applicant is without sufficient knowledge or information sufficient to form a belief as to the truth of Allegation No. 7 and therefore denies the same.

ALLEGATION NO. 8:

SOURCE is a prominent national brand, with products available nationwide in all major markets.

ANSWER:

Applicant is without sufficient knowledge or information sufficient to form a belief as to the truth of Allegation No. 8 and therefore denies the same.

ALLEGATION NO. 9:

Threshold Enterprises owns common law rights in its SOURCE and SOURCE NATURALS marks and SOURCE NATURALS, INC. trade name.

ANSWER:

Applicant is without sufficient knowledge or information sufficient to form a belief as to the truth of Allegation No. 9 and therefore denies the same.

ALLEGATION NO. 10:

Applicant's Marks so resemble Threshold Enterprises' SOURCE and SOURCE NATURALS marks and SOURCE NATURALS, INC. trade name that they are likely to cause confusion, or to cause mistake or deceive within the meaning of Section 2(d) of the Trademark (Lanham) Act of 1946, 15 U.S.C. § 1052(d).

ANSWER:

Denied.

ALLEGATION NO. 11:

Applicant's Marks are deceptive under Section 2(a) of the Trademark (Lanham) Act of 1946, 15 U.S.C. § 1052(a) by implying that Threshold Enterprise's SOURCE and SOURCE NATURALS products are not the "true" SOURCE products, and that Threshold Enterprises use of SOURCE is false, when that is not the case.

ANSWER:

Denied.

ALLEGATION NO. 12:

Applicant's Marks are deceptively misdescriptive under Section 2(e) of the Trademark (Lanham) Act of 1946, 15 U.S.C. § 1052(e) by implying that the ingredients of the goods

associated with Applicant's Marks come from the original source of such ingredients which, on information and belief, is false.

ANSWER:

Denied.

ALLEGATION NO. 13:

By reasons of the foregoing, Threshold Enterprises will be damaged by the registration of Applicant's Marks.

ANSWER:

Denied.

FIRST AFFIRMATIVE DEFENSE

Abandonment/Acquiescence

1. The marketplace in the United States for dietary and nutritional supplements (and the Principal Trademark Register) includes over 80 U.S. registered trademarks that include the expression SOURCE either alone or in combination with other words or elements. Attached as Exhibit A is a list of 80 U.S. registered trademarks that include the expression SOURCE.
2. By virtue of the existence of the multitude of other SOURCE-related marks in the marketplace, Opposer has abandoned any rights that it may have had with respect to SOURCE-related marks other than marks that include the words "source" and "natural."
3. By virtue of the existence of the multitude of other SOURCE-related marks in the marketplace, Opposer has acquiesced to the use of SOURCE-related marks in the marketplace, including Applicant's TRUSOURCE marks, for dietary and nutritional supplements.

SECOND AFFIRMATIVE DEFENSE

Estoppel

4. On July 10, 2014, Opposer filed Appl. Ser. No. 86/333,714 for the mark SOURCE for use in connection with cosmetics in class 3, dietary supplements; herbal supplements; nutritional supplements; food supplements; vitamins in class 5 and wholesale distributorship and mail order

catalog services in the field of dietary, herbal, nutritional, and food supplements and vitamins in class 42.

5. In connection with Opposer's SOURCE application, Opposer's President submitted a signed Declaration stating, among other things, "The signatory believes that to the best of the signatory's knowledge and belief, no other person has the right to use the mark in commerce, either in identical form or in such near resemblance as to be likely, when used on or in connection with the goods/services of such other person, to cause confusion or mistake or to deceive."

6. Upon information and belief, Opposer had knowledge of the multitude of SOURCE-related marks on the principal trademark registration at the time of making the Declaration stated above in Paragraph 5.

7. Applicant relied upon the existence of the multitude of SOURCE-related marks on the principal register for dietary and nutritional supplements and Opposer's failure to prevent or seek cancellation of the third party SOURCE related marks when it filed its trademark application for the mark TRUSOURCE.

8. Opposer should be estopped from asserting its SOURCE and SOURCE NATURALS marks against Applicant's applications after Applicant's reliance on Opposer's prior statements and activities.

THIRD AFFIRMATIVE DEFENSE

Fraud

9. Upon information and belief, Opposer was aware of other third-party marks, including federally registered marks, that incorporate the expression SOURCE either alone or in combination with other words and designs. In light of Opposer's allegations in its Amended Notice of Opposition, Opposer's statement in its Declaration described above in Paragraph 5 was false.

10. The existence of third-party marks that are likely to cause confusion or mistake when compared to Opposer's SOURCE Mark is material to the registrability of Opposer's trademark.

Upon information and belief, Opposer submitted the declaration described in Paragraph 5 above with the intent to deceive the United States Patent and Trademark Office.

FOURTH AFFIRMATIVE DEFENSE

Unclean Hands

11. In light of Opposer's acts of fraud and the related circumstances described above in Paragraphs 4 through 10, Opposer should not be permitted to use its trademark registrations to prevent registration of Applicant's TRUSOURCE marks.

FIFTH AFFIRMATIVE DEFENSE

No Likelihood of Confusion

12. Applicant's TRUSOURCE marks are sufficiently different from Opposer's SOURCE NATURALS marks and Opposer's SOURCE mark with regards to their respective uses and commercial impressions in the marketplace.

13. Given the differences between Applicant's and Opposer's respective marks and the existence of numerous SOURCE-related marks used on similar or related goods in the marketplace, no confusion is likely.

FIRST COUNTERCLAIM

Deceptive

14. Threshold Enterprises is listed as the owner of U.S. Trademark Registration No. 1,909,705 for SOURCE NATURALS for “vitamins, herbs and nutritional supplements” and U.S. Trademark Registration No. 3,930,397 for SOURCE NATURALS for “cosmetics, namely, ointments, gels, creams, lotions, moisturizers, oils, serums, salves and bath oils, all of which are used for the skin.” in the records of the United States Patent and Trademark Office (the “Threshold Marks”).

15. Upon information and belief, Opposer’s products sold under the Threshold Marks are not made exclusively of natural ingredients. The Threshold Marks are deceptive under Section 2(a) of the Trademark (Lanham) Act of 1946, 15 U.S.C. § 1052(a) by implying that the ingredients of the goods associated with the Threshold Marks are made exclusively of natural ingredients, which upon information and belief, is false. Consumers may plausibly, but wrongly, believe that Opposer’s products contain exclusively natural ingredients and such a consumer may use such a mistaken belief in his/her decision to purchase Opposer’s goods. This mistaken belief, upon information and belief, is likely to affect a significant portion of the relevant consumers’ decisions to purchase Opposer’s products.

16. Wherefore, the Threshold Marks should be cancelled from the Principal Register.

SECOND COUNTERCLAIM

Non-use

17. On July 10, 2014, Opposer filed Appl. Ser. No. 86/333,714 as an intent-to-use application for the mark SOURCE for use in connection with cosmetics in class 3, dietary supplements; herbal supplements; nutritional supplements; food supplements; vitamins in class 5 and wholesale distributorship and mail order catalog services in the field of dietary, herbal, nutritional, and food supplements and vitamins in class 42.

18. During the prosecution of Opposer’s Appl. Ser. No. 86/333,714 for the mark SOURCE, Opposer submitted a specimen and statement of use on September 1, 2015 (the “SOURCE Specimen”).

19. The Source Specimen does not show the Opposer's SOURCE mark in use in commerce as required by 37 C.F.R. § 2.56.
20. Upon information and belief, Opposer has not used Opposer's SOURCE mark in commerce and proven the same as required by 37 C.F.R. § 2.56.
21. On October 20, 2015, Threshold Enterprises' Appl. Ser. No. 86/333,714 for the mark SOURCE issued as Reg. No. 4,837,774 (the "SOURCE Registration").
22. Applicant is damaged by the existence of the SOURCE Registration on the Principal Register, as shown by Opposer's Notices of Opposition seeking the refusal of registration of Applicant's TRUSOURCE Marks.
23. Wherefore, the SOURCE Registration is not entitled to registration on the Principal Register and should be cancelled.

PRAYER FOR RELIEF

WHEREFORE, Applicant prays for relief in the nature of:

- Dismissal of Opposer's Notice of Opposition;
- Finding of no likelihood confusion between Opposer's marks Applicant's TRUSOURCE marks;
- Finding that Applicant's TRUSOURCE marks are not deceptive or deceptively misdescriptive;
- Finding that Opposer's SOURCE NATURAL marks are deceptive and should be cancelled from the Principal Register; and/or
- Finding that Opposer's SOURCE mark does not meet the requirements of the Lanham Act for registration on the Principal Register because of non-use and should be cancelled from the Principal Register.

Respectfully submitted,

GLANBIA NUTRITIONALS (IRELAND)
LIMITED

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Dated: February 29, 2016

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