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

Proceeding	91226521
Party	Plaintiff Caymus Vineyards
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Date	04/25/2016
Attachments	Opp. No. 91226521 - Rancho Caymus Marks -- Motion to Strike.pdf(39447 bytes ) Exhibit A - Opp. No. 91226521 - Rancho Caymus Marks -- Motion to Strike.pdf(77278 bytes )

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

<b>Caymus Vineyards,</b>	)	
	)	Opp. No. 91226521
Opposer,	)	
	)	
v.	)	(Serial No. 86588244)
	)	
<b>Rancho Caymus, LLC,</b>	)	(Serial No. 86588271)
	)	
Applicant.	)	(Serial No. 86588279)
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**OPPOSER’S MOTIONS TO STRIKE  
THE FIRST, SECOND, THIRD, SIXTH, SEVENTH, EIGHTH AND NINTH  
AFFIRMATIVE DEFENSES AND ADDITIONAL DEFENSES  
IN APPLICANT’S ANSWER AND TO SUSPEND PROCEEDINGS**

**MOTIONS**

Opposer Caymus Vineyards (“Opposer”) hereby moves, pursuant to Fed. R. Civ. P. 12(f) and TBMP § 503, to strike the First, Second, Third, Sixth, Seventh, Eighth and Ninth Affirmative Defenses and Additional Defenses set forth in the Answer of Rancho Caymus, LLC (“Applicant”) as impermissible, insufficient, irrelevant and/or redundant.

Additionally, as the Board’s determination of Opposer’s motion to strike will affect the scope of discovery in this proceeding, Opposer moves that the proceeding be suspended pending consideration of its motion to strike and that, after the Board decides the motion, the deadlines for the initial discovery conference, discovery and trial be reset.

## MEMORANDUM OF LAW IN SUPPORT OF MOTIONS

Applicant has plead nine affirmative defenses. Two may pass muster, not as true affirmative defenses, but as amplifications of Applicant's summary denials.<sup>1</sup> The remaining "affirmative defenses" pled by Applicant fail for the reasons detailed below.

The Board, either by motion or by its own initiative, may strike from a pleading any insufficient defense and any redundant, immaterial or impermissible matter. TBMP § 506.1; Fed. R. Civ. P. 12(f). On this basis, Opposer moves the Board to strike:

- as lacking merit the First Affirmative Defense claiming a failure to state a cause of action;
- as redundant the Second Affirmative Defense denying the strength of Opposer's Mark;
- as redundant the Third Affirmative Defense denying the fame of Opposer's Mark;
- as redundant the Sixth Affirmative Defense denying the similarity of the respective marks;
- as immaterial and inadequately pled the Seventh and Eighth Affirmative Defenses of laches and acquiescence, respectively;
- as impermissible and inadequately pled the Ninth Affirmative Defense of unclean hands;
- as impermissible the "Additional Defenses," by which Applicant endeavors to reserve the right to assert additional defenses.

None of the cited defenses provides fair notice of a valid claim or defense, and maintenance of these "affirmative defenses" would serve only to broaden discovery, without justification and with undue prejudice to Opposer. *See* TBMP § 506.1 (notwithstanding an aversion to motions to strike, "the Board grants motions to strike in appropriate cases," such as where inclusion of the subject material would "prejudice the adverse party"). Opposer therefore

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<sup>1</sup> *See* Applicant's Fourth and Fifth Affirmative Defenses.

moves the Board to strike from Applicant's Answer all of the pled affirmative defenses, save for the affirmative pleadings fashioned as the Fourth and Fifth Affirmative Defenses.

**I. The First Affirmative Defense of Failure to State a Claim Upon Which Relief Can Be Granted Should Be Stricken As Lacking Merit**

Opposer has standing to maintain this opposition, and multiple valid grounds exist for opposing Applicant's mark. Applicant's First Affirmative Defense, that the Notice of Opposition fails to state a claim upon which relief can be granted, should therefore be stricken as lacking merit.

"[T] the asserted defense of failure to state a claim upon which relief can be granted is not a true affirmative defense" and it should "not be considered as such." *Castro v. Cartwright*, Opposition No. 91188477 (TTAB Sept. 5, 2009)<sup>2</sup> (citing *Hornblower & Weeks Inc. v. Hornblower & Weeks Inc.*, 60 USPQ2d 1733, 1738 n.7 (TTAB 2001)). Nonetheless, Rule 12(f) of the Federal Rules of Civil Procedure provides that a party may utilize a defendant's assertion of failure to state a claim by moving to strike the defense. *Embarcadero Technologies, Inc. v. Delphix Corp.*, Opposition No. 91197662, n.2 (TTAB Jan. 10, 2012) (citing *S.C. Johnson & Sons, Inc. v. GAF.*, 177 USPQ 720 (TTAB 1973)). If the pleading is sufficient – i.e., if opposer has standing to maintain its opposition, and if a valid ground exists for opposing defendant's mark – then the "defense" should be stricken. *See, e.g., Castro and Embarcadero, supra.*

Here, Opposer has alleged an incontestable registration and longstanding common law rights in its famous CAYMUS mark (Notice of Opposition ¶¶2-3), and that the registration issued and the mark became famous long prior to the filing dates of Applicant's Applications (¶¶7 and 11, respectively). These allegations, if proven, suffice to establish Opposer's standing, i.e., that it has a real and personal interest in the outcome of the proceeding, beyond that of the

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<sup>2</sup> A copy of the decision is attached hereto as Exhibit A.

general public. *See, e.g., Jewelers Vigilance Committee Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021 (Fed. Cir. 1987); *Honda Motor Co., Ltd. v. Freidrich Winkelmann*, 90 USPQ 2d 1660 (TTAB 2009). Further, Opposer has alleged multiple valid grounds for opposing the Applications, namely that registration of Applicant's Marks would lead to a likelihood of dilution (¶¶14-21), a likelihood of confusion (¶¶22-27), and a false suggestion of a connection (¶¶28-33). The facts pled in the Notice of Opposition – especially when construed liberally, as required by Fed. R. Civ. P. 8(f) – clearly demonstrate Opposer's standing and the existence of multiple valid grounds to oppose Applicant's Marks. *See Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). In view of the sufficiency of the Notice of Opposition, the First Affirmative Defense should be stricken as without merit.

## **II. The Second, Third and Sixth “Affirmative Defenses” Should Be Stricken As Redundant**

The Second, Third and Sixth “Affirmative Defenses” are not actual affirmative defenses, but rather affirmative pleadings or arguments denying a likelihood of confusion (Second and Sixth Affirmative Defense) or the fame of Opposer's Mark (Third Affirmative Defense). The pleadings do not amplify, but merely echo or parrot Applicant's denials, and should therefore be stricken as redundant. *See Order of Sons of Italy in America v. Profumi Fratelli NostraAG*, 36 USPQ2d 1221, 1223 (TTAB 1995) (striking affirmative defense as redundant, that is, as nothing more than a restatement of a denial in the answer).

In Paragraph 6 of the Notice of Opposition, Opposer alleges that its CAYMUS mark is “strong, inherently distinctive and arbitrary as applied to Opposer's Goods.” Applicant denies the allegation in its Answer (para. 6.) and then again in its Second Affirmative Defense, reciting that

“Opposer’s mark is neither strong, inherently distinctive nor arbitrary.” The “defense” is merely redundant, and should be stricken as such. *See Order of Sons of Italy in America, supra.*

It is true that the Board permits “amplifications of denials” fashioned as affirmative defenses, but Applicant’s defenses, lacking any additional substance, cannot be fairly characterized as such. The Board allows amplifications of denials because such assertions further policy considerations in that they “serve to give the plaintiff fuller notice of the position which the defendant plans to take in defense of its right to registration.” TBMP § 311.02(b) (“Other Affirmative Pleadings – Amplifying Denials”). Applicant’s Second “Affirmative Defense,” however, serves no such purpose. It does not amplify, and it does not provide fuller notice. It merely parrots Applicant’s earlier denial.

Applicant’s Third and Sixth Affirmative Defenses are similarly redundant. In the body of its Answer, Applicant denies Opposer’s allegation that the mark is famous. (Notice of Opposition ¶7; Answer ¶7.) In its Third Affirmative Defense, Applicant denies again that Opposer’s mark is famous. Nothing is added. The Third Affirmative Defense should thus be stricken as redundant.

Similarly, Applicant in the body of its Answer denies Opposer’s allegation that the respective marks are similar in appearance, sound and commercial impression. (Notice of Opposition ¶23; Answer ¶23.) In its Sixth Affirmative Defense, Applicant merely echoes this denial. No fuller notice is provided. Accordingly, the Sixth Affirmative Defense should be stricken as redundant as well.

### **III. The Seventh and Eighth Affirmative Defenses Of Laches and Acquiescence Should Be Stricken As Immaterial**

Applicant's Seventh and Eighth Affirmative Defenses plead that Opposer be denied relief, under the equitable doctrines of laches and acquiescence, respectively. Such equitable defenses are immaterial to Opposer's opposition to *registration* of Applicant's Marks, and should therefore be stricken.

Common to both the laches and acquiescence defenses is the element of delay. *See Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes Inc.*, 23 USPQ2d 1701, 1703 (Fed. Cir. 1992) ("The elements of laches are (1) unreasonable delay in assertion of one's rights against another; and (2) material prejudice to the latter attributable to the delay."); *Coach House Restaurant Inc. v. Coach and Six Restaurants, Inc.*, 19 USPQ2d 1401, 1409 (11th Cir. 1991) (the elements of laches are: (1) an active representation by one to another that it would not assert a right or a claim; (2) an inexcusable delay between the active representation and the assertion of the right or claim; (3) under prejudice to the latter attributable to the delay). Here, there is no support for a finding of delay because Opposer could not assert its opposition to *registration* of Applicant's Marks until the Applications had published for opposition.

Section 311.02(b) of the Trademark Board Manual of Procedure unequivocally states:

[T]he availability of laches and acquiescence is severely limited in opposition and cancellation proceedings.<sup>[3]</sup> In Board opposition proceedings, these defenses start to run from the time of knowledge of the application for registration (that is, from the time the mark is published for opposition), not from the time of knowledge of use.

*See also Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes, Inc.*, 971 F.2d 732, 734 (Fed. Cir. 1992) ("As applied in trademark opposition or cancellation proceedings, these defenses [laches

and equitable estoppel] must be tied to a party's registration of a mark, *not* to a party's use of the mark.”) (emphasis in original); *National Cable Television Ass’n Inc. v. Am. Cinema Editors Inc.*, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991) (affirmative defense of laches and/or undue delay in bringing a proceeding is inapplicable in opposition proceedings); *Krause v. Krause Publications, Inc.*, 76 U.S.P.Q.2d 1904 (TTAB Nov. 18, 2005) (“It is clear, therefore, that the equitable defense of acquiescence in an opposition or cancellation proceeding does not begin to run until the mark is published for opposition”), citing *Salem Commodities, Inc. v. Miami Margarine Co.*, 244 F.2d 729, 732 (CCPA 1957) (“Appellant cannot properly be charged with acquiescence in appellee’s right to *registration* until appellant became aware that such a right had been asserted by appellee.” (emphasis in original); *see also Coach House, supra*, 19 USPQ2d at 1404 (“We conclude that the TTAB abused its discretion by failing to observe the distinction in this case between acquiescence as to use and acquiescence as to registration. Although petitioner actively represented that the registrant could use its logo, petitioner did not represent or imply that it would allow registrant to register the petitioner's servicemark on the federal Principal Register. Therefore, no period of delay could have begun running as to registration, until petitioner had notice that registrant was doing something that would generate a claim or right of petitioner.”)).

The Applications published for opposition on October 27, 2015. The very next day, October 28, 2015, Opposer filed requests for 90-day extensions of time to oppose the Applications. Opposer then timely filed its Notice of Opposition to the Application on February 24, 2016. Opposer’s timely filings conclusively demonstrate that it did not delay in asserting its rights against registration of Applicant’s Marks. Absent any such delay, the defenses of laches and acquiescence cannot survive.

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<sup>3</sup> The availability is limited to the *Morehouse* defense, which is unavailable here due to Applicant’s lack of a prior registration for a substantially similar mark for substantially similar services.

Even if these defenses were deemed to run from an earlier date, they should still be dismissed as inadequately pled. Applicant pleads that Opposer be denied relief because, allegedly, “the pleaded Registration co-existed with the Rancho Caymus Inn mark for hotel and inn services for about thirty (30) years and Opposer never legally enforced its Registration.” (Sixth Affirmative Defense; Seventh Affirmative Defense.) Absent from Applicant’s Answer, though, is any allegation that Opposer’s Registration coexisted with *Applicant’s* use of a RANCHO CAYMUS mark.<sup>4</sup> *See Textron, Inc. v. The Gillette Company*, 180 USPQ 152, 154 (TTAB 1973) (equitable doctrines of estoppel may be invoked only by one who has been prejudiced by the conduct relied upon to create the estoppel). Nor has applicant alleged that it is in privity with the alleged prior users of the RANCHO CAYMUS mark. *Id.* (“a party may not therefore base its claim for relief on the asserted rights of strangers with whom it is not in privity of interest”). Absent such allegations, the Applicant’s equitable defenses must be stricken as inadequately pled.

The absence of such allegations is not the only defect. Applicant also fails to allege prejudicial reliance on Opposer’s conduct, namely, that Applicant (or its predecessors-in-interest) was induced to select its marks because of the conduct of Opposer. *See Gastown Inc. of Delaware v. Gas City Ltd.*, 187 USPQ 760 (TTAB 1975). To the contrary, Applicant denies that “at the time Applicant filed the Application and prior to any use of Applicant’s Marks, Applicant knew of Opposer’s prior rights in the trademark CAYMUS.” (Notice of Opposition, ¶12; Answer, ¶12.) For the foregoing reason, too, Applicant’s Sixth and Seventh Affirmative Defenses should therefore be stricken as insufficient.

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<sup>4</sup> Indeed, the Applications are all based on Applicant’s *intent* to use.

#### **IV. The Ninth Affirmative Defense of Unclean Hands Should Be Stricken As Impermissible or Inadequately Pled**

Applicant's Ninth Affirmative Defense, which pleads that Opposer be "estopped from enforcing the pleaded Registration," is an impermissible collateral attack on the validity of Opposer's Registration, and should be stricken as such. Trademark Rule 2.106(b)(2)(ii) ("An attack on the validity of a registration pleaded by an opposer will not be heard unless a counterclaim or separate petition is filed to seek the cancellation of such registration."); *Textron, Inc. v. The Gillette Co.*, 180 USPQ 152, 153 (TTAB 1973) ("no defense attacking the validity of a pleaded registration may be raised except by way of cancelation of the registration").

"The Board will not entertain a defense that attacks the validity of a registration pleaded by a plaintiff unless the defendant timely files a counterclaim or a separate petition to cancel the registration." TBMP § 311.02(b); *see also* TMBP 313.01 ("The Board cannot entertain an attack upon the validity of a registration pleaded by a plaintiff unless the defendant timely files a counterclaim or a separate petition to cancel the registration.") In the absence of any such counterclaim or petition to cancel, Applicant's Ninth Affirmative Defense, that "the pleaded Registration was obtained and maintained fraudulently, deceitfully and/or by misrepresentation," should be stricken as impermissible.

Even if the plea and allegation by Applicant – that Opposer be barred from enforcing its Registration because fraudulently obtained and maintained – were somehow construed as something other than an attack on the validity of Opposer's Registration, the Ninth Affirmative Defense should still be stricken as inadequately pled. Section 311.02(b) of the Trademark Board Manual of Procedure, titled "Affirmative Defenses," expressly requires that "[w]hen one of the special matters listed in Fed. R. Civ. P. 9 (including, inter alia, capacity, fraud, and judgment) is pleaded, the provisions of Fed. R. Civ. P. 9 governing the pleading of that special matter should

be followed.” Applicant’s defense, which must sound in fraud,<sup>5</sup> fails to set forth any particulars, including the time of the alleged fraud, who made the alleged misrepresentation and to whom, the content of the alleged misrepresentation, and other salient details required under the heightened pleading requirements of Rule 9. Applicant’s allegation, that Opposer’s Registration was passively “obtained and maintained” in some undisclosed fraudulent manner, is insufficient. For this reason too, the Board should strike Applicant’s Ninth Affirmative Defense.

**V. Applicant’s Reservation of Additional Defenses Should Be Stricken As Impermissible**

By its “Additional Defenses,” Applicant seeks to reserve “the right to assert additional defenses based upon information learned or obtained during discovery,” notwithstanding the dictates of Rule 15 of the Federal Rules of Civil Procedure, namely that such defenses generally may be asserted only “with the opposing party’s written consent or the court’s leave.” The “Additional Defenses” should therefore be stricken.

Applicant’s unqualified reservation of a unilateral right “to add new and different affirmative defenses as they become known ... at indeterminate times in the future ... violate[s], inter alia, the fair notice requirement of [Fed. R. Civ. P. 8] and circumvent[s] [Fed. R. Civ. P. 15].” *Cty. Vanlines Inc. v. Experian Info. Sols., Inc.*, 205 F.R.D. 148, 157-58 (S.D.N.Y. 2002); *see also* TBMP § 311.02(b) (“the pleading should include enough detail to give the plaintiff fair notice of the basis for the defense”). The proper avenue by which Applicant should proceed to assert new defenses, if warranted, is detailed in Rule 15, and Applicant should be required to

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<sup>5</sup> *See generally* TBMP § 307, with respect to cognizable attacks against an incontestable registration.

follow it. *See id.* Applicant's "Additional Defenses" are nothing short of an end run around the Federal Rules, and accordingly, should be stricken as impermissible.

### **CONCLUSION**

For the foregoing reasons, the First, Second, Third, Sixth, Seventh, Eighth, Ninth and Additional Affirmative Defenses in Applicant's Answer should be stricken. Moreover, the proceeding should be suspended pending consideration of Opposer's motion to strike, and the deadlines for the initial discovery conference, discovery and trial periods reset accordingly.

Respectfully submitted,

**CAYMUS VINEYARDS**

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Date: April 25, 2016

*Counsel for Opposer*

**CERTIFICATE OF SERVICE**

The undersigned certifies that a true copy of the foregoing **MOTIONS TO STRIKE THE FIRST, SECOND, THIRD, SIXTH, SEVENTH, EIGHTH AND NINTH AFFIRMATIVE DEFENSES AND ADDITIONAL DEFENSES IN APPLICANT'S ANSWER AND TO SUSPEND PROCEEDINGS** was sent by first class mail, postage pre-paid, to counsel for Applicant:

Katja Loeffelholz, Esq.  
Dickenson Peatman & Fogarty  
1455 1st St Ste 301  
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on this 25<sup>th</sup> day of April, 2016.

\_\_\_\_\_  
/Daniel C. Neustadt/

# **EXHIBIT A**

UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451

Mailed: September 5, 2009

Opposition No. 91188477

Carlos A. Castro

v.

Rick Cartwright

**ELIZABETH J. WINTER, INTERLOCUTORY ATTORNEY:**

This case now comes up for consideration of opposer's motion (filed March 19, 2009<sup>1</sup>) to strike applicant's affirmative defenses set forth in applicant's answer. The motion is fully briefed.<sup>2</sup>

For purposes of this order, the Board presumes the parties' familiarity with the pleadings and the arguments submitted with respect to the subject motion.

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<sup>1</sup> The delay in acting upon this matter is regretted.

<sup>2</sup> It is clear from opposer's reply brief that applicant timely served opposer with its opposition brief to the subject motion. However, when submitting said brief electronically to the Board on March 30, 2009, applicant's counsel apparently inadvertently uploaded a copy of applicant's previously submitted answer instead of the opposition brief (the ESTTA cover sheet therefor refers to "opposition/response to motion"). On August 11, 2009, at the Board's request, applicant submitted a copy of its brief to the Board.

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Opposer requests that the Board strike applicant's affirmative defenses<sup>3</sup> because they are allegedly insufficiently pleaded under Federal Rule 8(b). Specifically, opposer asserts that applicant has failed to state the elements of his defenses and that the alleged defenses are conclusory and boilerplate in nature, with the result that they fail to give opposer fair notice of the basis for the defenses.

Applicant essentially argues that opposer's motion should be denied because he has failed to show that the affirmative defenses are wholly unrelated to any of the facts framed in the pleadings or that he will suffer unfair prejudice as a result of their inclusion in the answer, and because the asserted defenses set forth the "short and plain" statements required under notice pleading. Should the Board find that applicant's defenses are not sufficiently pleaded, applicant also requests that the Board allow applicant to amend his answer.

Pursuant to Fed. R. Civ. P. 12(f), the Board may order stricken from a pleading any insufficient or impermissible defense, or any redundant, immaterial, impertinent or

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<sup>3</sup> Opposer requests that the Board strike applicant's "first seven (7) affirmative defenses". However, applicant only asserted six defenses, the seventh "defense" being a statement that applicant reserves the right to amend its answer to assert defenses that may become available, which is not an affirmative defense. The Board has considered all six of applicant's asserted defenses in the context of opposer's motion.

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scandalous matter. See also Trademark Rule 2.116(a), 37 C.F.R. § 2.116(a); and TBMP 506 (2d ed. rev. 2004). Motions to strike are not favored, and matter will not be stricken unless it clearly has no bearing upon the issues in the case. See, e.g., *Ohio State University v. Ohio University*, 51 USPQ2d 1289, 1293 (TTAB 1999); and *Harsco Corp. v. Electrical Sciences Inc.*, 9 USPQ2d 1570 (TTAB 1988). Inasmuch as the primary purpose of pleadings under the Federal Rules of Civil Procedure is to give fair notice of the claims or defenses asserted, the Board may decline to strike even objectionable pleadings where their inclusion will not prejudice the adverse party, but rather will provide fuller notice of the basis for a claim or defense. See, e.g., *Order of Sons of Italy in America v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1223 (TTAB 1995) (amplification of applicant's denial of opposer's claims not stricken). Further, a defense will not be stricken as insufficient if the insufficiency is not clearly apparent, or if it raises factual issues that should be determined on the merits. See, generally, Wright & Miller, 5C Fed. Prac. & Proc. Civ.3d § 1381 (2008). Nonetheless, the Board grants motions to strike in appropriate instances.

Applicant asserts the following defenses:

1. That opposer has failed to state a claim upon which relief can be granted;

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2. That opposer is barred, in whole or in part, from relief from the doctrine of waiver;
3. That opposer's claims are precluded by the doctrine of estoppel;
4. That opposer's claims are precluded because the plaintiff's mark has been abandoned;
5. That opposer has failed to adequately maintain, police or enforce any trademark or proprietary rights it may once have had in its alleged pleaded mark(s);
6. That opposer's alleged use of "NEVERTAP" does not constitute trademark use.

Turning first to affirmative defense number one, the asserted defense of failure to state a claim upon which relief can be granted is not a true affirmative defense because it relates to an assertion of the insufficiency of the pleading of opposer's claim rather than a statement of a defense to a properly pleaded claim. In view thereof, this asserted defense will not be considered as such. *See Hornblower & Weeks Inc. v. Hornblower & Weeks Inc.*, 60 USPQ2d 1733, 1738 n.7 (TTAB 2001).

Nonetheless, a motion to strike the defense of failure to state a claim upon which relief can be granted may be used by the plaintiff to test the sufficiency of its pleading. Accordingly, in determining whether to strike applicant's assertion that opposer's pleading fails to state a claim upon

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which relief can be granted, it is necessary to look at the sufficiency of the pleading.

In order to withstand the assertion that a pleading fails to state a claim, a plaintiff need only allege such facts that would, if proved, establish that (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for opposing the mark. The pleading must be examined in its entirety, construing the allegations therein liberally, as required by Fed. R. Civ. P. 8(f), to determine whether it contains any allegations, which, if proved, would entitle the plaintiff to the relief sought. See *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982); and TBMP § 503.02 (2d. ed. rev. 2004).

For the following reasons, the Board finds that the notice of opposition is legally sufficient and that it clearly contains allegations which, if proven, would establish opposer's standing and a valid ground for opposing the involved mark.

Considering first whether opposer has asserted a proper Section 2(d) claim, the Board finds that the allegations set forth in paragraphs one, two and four of opposer's notice of opposition provide adequate notice of opposer's reliance on common law use of the mark NEVERTAP to establish priority. Further, paragraphs five, nine and ten provide adequate notice

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of opposer's claim of likelihood of confusion. If opposer's allegations are later proved, they would establish that opposer has a real interest in the outcome of the proceeding, that is, a personal interest in the outcome of the case beyond that of the general public. See *Jewelers Vigilance Committee Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021 (Fed. Cir. 1987); and *Lipton Industries, Inc. v. Ralston Purina Company*, *supra*. Whether these allegations are true is a question of fact to be determined at trial. In view of the foregoing, opposer's motion to strike applicant's first affirmative defense is granted and said defense is hereby stricken.

Applicant's second asserted defense is that opposer's claim is barred by the doctrine of waiver. This assertion is insufficient on its face inasmuch as it fails to give opposer or the Board any factual basis for the defense. Further, applicant has not cited to any Federal Circuit or Board cases that support a finding that the bald assertion of waiver is sufficient. In view thereof, opposer's motion as to affirmative defense number two is granted and such defense is hereby stricken as insufficient.

As to the third asserted defense, namely, estoppel, it has been consistently held that the doctrine of estoppel may be invoked only by one who has been prejudiced by the conduct relied upon to create the estoppel, and a party may not

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therefore base its claim for relief on the asserted rights of strangers with whom it is not in privity of interest. See *Textron, Inc. v. The Gillette Company*, 180 USPQ 152, 154 (TTAB 1973) (internal citations omitted).

In this case, because applicant has not alleged that he was induced to select his mark because of the conduct of opposer or that applicant is in privity with the third parties who have assertedly used similar marks for similar goods with opposer's acquiescence thereto, applicant's pleading is insufficient. See *Gastown Inc. of Delaware v. Gas City Ltd.*, 187 USPQ 760 (TTAB 1975).

Likewise, in regard to affirmative defense number five, which asserts that opposer has failed to maintain, police or enforce its trademarks or proprietary rights, the Board construes this defense to essentially restate that applicant has acquiesced to or not asserted its trademark rights, if any, against third parties. As discussed, applicant cannot assert that opposer is estopped from bringing this opposition because he has not objected to the alleged use by third parties of a portion of applicant's involved mark unless the answer also includes the allegations discussed above, that is, those regarding applicant's privity with third parties and applicant's prejudicial reliance on opposer's conduct.

In view of the foregoing, opposer's motion to strike affirmative defense numbers three and five is granted and

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those defenses are hereby stricken as insufficient.

Nonetheless, applicant will be allowed time at the conclusion of this order to file an amended answer to address these insufficient defenses, should he choose to do so.

Applicant's fourth and sixth defenses assert, respectively, that opposer's mark has been abandoned and that opposer's alleged use of the term "NEVERTAP" does not constitute trademark use. These affirmative defenses, which involve an absence of proprietary rights in an alleged mark, provide opposer with notice of applicant's position with respect to opposer's claim of priority and, thus, primarily function to amplify applicant's denial of opposer's claim of likelihood of confusion and do not prejudice opposer. In view thereof, opposer's motion to strike applicant's fourth and sixth affirmative defenses is denied.

Accordingly, opposer's motion to strike is granted in part and denied in part, as noted herein. Further, applicant's request to amend his answer is granted to the extent that applicant is allowed until approximately **THIRTY DAYS** from the mailing date of this order, as specified below, to submit an amended pleading that states a proper affirmative defense of estoppel, as discussed *supra*, assuming applicant can make the factual allegations that support such a defense. See Fed. R. Civ. P. 11.

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Proceeding Resumed; Dates Reset<sup>4</sup>

This proceeding is **resumed**. Trial dates, including conferencing, disclosures and the discovery period, are reset as shown in the schedule set forth below.

Time to File Amended Answer (as discussed herein)	10/8/2009
Deadline for Discovery Conference	10/23/2009
Discovery Opens	10/23/2009
Initial Disclosures Due	11/22/2009
Expert Disclosures Due	3/22/2010
Discovery Closes	4/21/2010
Plaintiff's Pretrial Disclosures	6/5/2010
Plaintiff's 30-day Trial Period Ends	7/20/2010
Defendant's Pretrial Disclosures	8/4/2010
Defendant's 30-day Trial Period Ends	9/18/2010
Plaintiff's Rebuttal Disclosures	10/3/2010
Plaintiff's 15-day Rebuttal Period Ends	11/2/2010

**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. See Trademark Rule 2.125, 37 C.F.R. § 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b), 37 C.F.R. §§ 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129, 37 C.F.R. § 2.129.



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<sup>4</sup> This proceeding is deemed to have been suspended since the filing date of opposer's motion. See Trademark Rule 2.117(c). In view thereof, the Board's order mailed August 27, 2009, which reset the trial schedule in accordance with the opposer's consented motion, is vacated.