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

Proceeding.	92054408
Applicant	Plaintiff Hublot of America, Inc.
Other Party	Defendant Solid 21 Incorporated

### **Motion for Suspension in View of Civil Proceeding With Consent**

The parties are engaged in a civil action which may have a bearing on this proceeding. Accordingly, Hublot of America, Inc. hereby requests suspension of this proceeding pending a final determination of the civil action. Trademark Rule 2.117.

Hublot of America, Inc. has secured the express consent of all other parties to this proceeding for the suspension and resetting of dates requested herein.

Hublot of America, Inc. has provided an e-mail address herewith for itself and for the opposing party so that any order on this motion may be issued electronically by the Board.

### **Certificate of Service**

The undersigned hereby certifies that a copy of this paper has been served upon all parties, at their address record by Facsimile or email (by agreement only) on this date.

Respectfully submitted,  
/Laura Popp-Rosenberg/  
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10/01/2012

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

-----X	:	
HUBLLOT OF AMERICA, INC.,	:	
	:	
Petitioner,	:	
	:	
- against -	:	Cancellation No. 92054408
	:	
SOLID 21 INCORPORATED,	:	
	:	
Registrant.	:	
-----X	:	

**STIPULATED MOTION TO SUSPEND PROCEEDINGS**

Pursuant to Trademark Rule of Practice 2.117(a), 37 C.F.R. § 2.117(a), Petitioner Hublot of America, Inc. (“Petitioner”) and Registrant Solid 21 Incorporated (“Registrant”) hereby jointly move the Trademark Trial and Appeal Board (the “Board”) to suspend these proceedings pending termination of a civil action involving the mark at issue herein, RED GOLD.

**BACKGROUND**

The Petition for Cancellation herein seeks cancellation of Registrant’s Registration No. 2793987 for the mark RED GOLD on the basis that the phrase “red gold” is generic and cannot function to indicate source. That same issue – whether Registrant’s RED GOLD mark is generic and therefore invalid – is at issue in a pending appeal in front of the Ninth Circuit.

On January 14, 2011, Solid 21 filed a complaint in the United States District Court for the Central District of California against Breitling USA Inc. and Breitling SA (together, the “Breitling Companies”) alleging, among other things, trademark infringement of Solid 21’s RED GOLD trademark. *See Solid 21, Inc. v. Breitling USA Inc., et al.*, Case No. 2:11-cv-0457-GAF-PLA (C.D. Cal.) (hereinafter, “*Breitling*”). On July 19, 2011, the *Breitling* Court issued an Order

holding that the phrase “red gold” is “generic and therefore unprotectable” as a trademark, and dismissing, with prejudice, all of Registrant’s claims based on the defendants’ alleged infringement of the RED GOLD mark (the “Dismissal Order”). *See id.*, July 19, 2011 Dismissal Order, at 6. (*See Exhibit A.*) On August 22, 2011, Registrant filed a Notice of Appeal to the Ninth Circuit of the lower court’s decision in *Breitling*. That appeal was fully briefed as of July 2012 and is currently pending. (*See Exhibit B.*) The Ninth Circuit mediator has informed Registrant that, generally, the Ninth Circuit issues an opinion by 18 months from the filing of the notice of appeal. Hence, it is anticipated that the Ninth Circuit will issue an opinion sometime in February of 2013.

Registrant also instituted a suit against Petitioner in federal court on January 14, 2011, alleging, among other things, trademark infringement of Solid 21’s purported RED GOLD trademark. *See Solid 21, Inc. v. Hublot of America, et al.*, Case No. 2:11-cv-0468-DMG-JC (C.D. Cal.) (hereinafter, “*Hublot*”). In the civil litigation, Petitioner denied the salient allegations of the complaint, asserted affirmative defenses including that the Registrant’s purported RED GOLD mark is generic, and asserted counterclaims including one seeking cancellation of Registrant’s RED GOLD trademark on the basis of genericness. On August 11, 2011, the *Hublot* court issued an Order staying the lawsuit brought by Registrant against Petitioner, pending Registrant’s exhaustion of all of its remedies for review of the *Breitling* Court’s Dismissal Order. The *Hublot* litigation remains suspended. (*See Exhibit C.*)

## ARGUMENT

Pursuant to Trademark Rule of Practice 2.117(a), the Board has the power to suspend this cancellation proceeding when either or both of the parties are engaged in a civil action that “may have a bearing on the case.” 37 C.F.R. § 2.117(a). Here, a party to the case – specifically,

Registrant – is involved in civil action – namely, the *Breitling* appeal – that has a direct bearing on the issues involved in this cancellation proceeding. As noted above, the lower court in *Breitling* has already determined the issue facing the Board in this cancellation proceeding: whether the RED GOLD mark is generic and therefore incapable as functioning as a mark. The lower court’s decision is currently under appeal to the Ninth Circuit, and the Ninth Circuit’s decision will have a bearing on this case. Either the Ninth Circuit will affirm the lower court’s holding that Registrant’s RED GOLD mark is generic and invalid, or the Ninth Circuit will send the case back to the lower court for further proceedings. Since it is clear that the issues raised in the *Breitling* appeal will have a direct bearing on this cancellation proceeding, the Board should stay these proceedings until the *Breitling* appeal is decided.

#### CONCLUSION

For the reasons set forth above, the parties jointly move the Board to suspend these proceedings until the Ninth Circuit *Breitling* appeal is terminated.

Dated: New York, New York  
October 1, 2012

Dated: \_\_\_\_\_, California  
October 1, 2012

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# **EXHIBIT A**

LINK: 7

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

Present: The Honorable	<b>GARY ALLEN FEESS</b>	
Renee Fisher	None	N/A
Deputy Clerk	Court Reporter / Recorder	Tape No.
Attorneys Present for Plaintiffs:	Attorneys Present for Defendants:	
None	None	

**Proceedings: (In Chambers)**

**ORDER RE: MOTION TO DISMISS FIRST AMENDED COMPLAINT**

**I. INTRODUCTION AND BACKGROUND**

Plaintiff Solid 21, Inc. (“Solid 21” or “Plaintiff”) brings this trademark infringement suit against Breitling USA Inc. and Breitling SA (collectively, “Breitling” or “Defendant”). (Docket No. 1, Compl.) Plaintiff alleges that it is the owner of the registered and incontestable trademark “Red Gold” for fine jewelry and watches made from a gold alloyed to be a distinctive color. (Docket No. 6, First Am. Compl. (“FAC”) ¶¶ 2, 13.) Plaintiff alleges that it has spent significant resources promoting its “Red Gold” brand for over five years. (*Id.* ¶¶ 12, 14.) According to the FAC, Defendant has sold, marketed, and advertised “fine jewelry utilizing the RED GOLD® mark,” and has allowed third parties to promote their products under the “Red Gold” mark (*Id.* ¶¶ 19–20.) Plaintiff alleges that Defendant used the mark “with full knowledge” or “in negligent disregard” of Plaintiff’s rights in the mark. (*Id.* ¶ 20.) Plaintiff avers that Defendant’s use of the mark is “likely to cause confusion, reverse confusion, mistake, and/or deception as to the source of Defendant’s goods and services.” (*Id.* ¶ 21.)

Plaintiff further alleges that it has developed a “metal alloy gold derivative with an amber hue,” which it has branded as “Red Gold.” (*Id.* ¶ 22.) According to Plaintiff, products containing this “metal alloy gold derivative with an amber hue” are associated with the “Red Gold” mark and with Plaintiff. (*Id.*) Plaintiff avers that the gold with the amber hue that it has developed gives its products a “distinctive look” and “identif[ies] Solid 21 and its mark Red Gold.” (*Id.*) Plaintiff alleges that Defendant has manufactured and marketed jewelry and watches using “gold treated to create a hue similar to the gold developed by [Plaintiff]” in order

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

to capitalize on goodwill that Plaintiff has created and in order to confuse consumers. (*Id.*) The FAC specifically alleges that between 2007 and 2011, Defendant marketed and advertised in internet sites and magazines “the Navitimer Montbrillant Datora Red Gold 2 and the Montbrillant Datora Red Gold” using the “Red Gold” trademark and a distinct gold with an amber hue. (*Id.* ¶ 23.)

On the basis of these allegations, Plaintiff asserts claims for: (1) infringement of a registered trademark in violation of the Lanham Act, 15 U.S.C. § 1114; (2) infringement of an unregistered trademark in violation of the Lanham Act, 15 U.S.C. § 1125(a); (3) unfair competition in violation of the Lanham Act, 15 U.S.C. § 1125(a); (4) common law trademark infringement; (5) unfair competition under California’s Unfair Competition Law (“UCL”), Cal. Bus. & Prof. Code § 17200; (6) trademark dilution in violation of the Lanham Act, 15 U.S.C. § 1125(c); (7) false description in violation of the Lanham Act, 15 U.S.C. § 1125(a); (8) trademark dilution in violation of California Business and Professions Code section 14200; and (9) declaratory relief. (*Id.* ¶¶ 24–79.)

Defendant now moves to dismiss Plaintiff’s complaint for failure to state a claim. (Docket No. 7.) For the reasons set forth below, the Court **GRANTS** the motion.

## II. DISCUSSION

### **B. LEGAL STANDARD FOR DISMISSAL UNDER RULE 12(B)(6)**

A complaint may be dismissed for failure to state a claim upon which relief can be granted. *See* Fed. R. Civ. P. 12(b)(6). On a motion to dismiss under Rule 12(b)(6), a court must accept as true all factual allegations pleaded in the complaint and construe them “in the light most favorable to the nonmoving party.” *Cahill v. Liberty Mut. Ins. Co.*, 80 F.3d 336, 337–38 (9th Cir. 1996); *see also* *Stoner v. Santa Clara County Office of Educ.*, 502 F.3d 1116, 1120–21 (9th Cir. 2007). Dismissal under Federal Rule of Civil Procedure 12(b)(6) may be based on either (1) a lack of a cognizable legal theory, or (2) insufficient facts under a cognizable legal theory. *SmileCare Dental Grp. v. Delta Dental Plan of Cal., Inc.*, 88 F.3d 780, 783 (9th Cir. 1996) (citing *Robertson v. Dean Witter Reynolds, Inc.*, 749 F.2d 530, 534 (9th Cir. 1984)).

Under Federal Rule of Civil Procedure 8(a)(2), a complaint must contain “a short and plain statement of the claim showing that the pleader is entitled to relief.” Fed. R. Civ. P. 8(a)(2). The Supreme Court has interpreted this rule to allow a complaint to survive a motion to dismiss only if it “contain[s] sufficient factual matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Ashcroft v. Iqbal*, 129 S. Ct. 1937, 1949 (2009) (quoting *Bell Atl.*

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

Corp. v. Twombly, 550 U.S. 544, 570 (2007)). “A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged.” Id. (citing Twombly, 550 U.S. at 556). “[W]here the well-pleaded facts do not permit the court to infer more than the mere possibility of misconduct,” the complaint has not sufficiently established that the pleader is entitled to relief. Id. at 1950.

While a complaint generally need not contain detailed factual allegations, “a plaintiff’s obligation to provide the grounds of his entitlement to relief requires more than labels and conclusions, and a formulaic recitation of the elements of a cause of action will not do.” Twombly, 550 U.S. at 555 (citation, alteration, and internal quotation marks omitted). Similarly, a court need not “accept as true allegations that are merely conclusory, unwarranted deductions of fact, or unreasonable inferences.” Spewell v. Golden State Warriors, 266 F.3d 979, 988 (9th Cir. 2001). In other words, “the tenet that a court must accept as true all of the allegations contained in a complaint is inapplicable to legal conclusions. . . . While legal conclusions can provide the framework of a complaint, they must be supported by factual allegations.” Iqbal, 129 S. Ct. at 1949–50; see also Warren v. Fox Family Worldwide, Inc., 328 F.3d 1136, 1139 (9th Cir. 2003).

## **B. APPLICATION**

Each of Plaintiff’s claims depends on its ownership of a protectable trademark. See Lee Myles Assocs. Corp. v. Paul Rubke Enters., Inc., 557 F. Supp. 2d 1134, (S.D. Cal. 2008) (identifying “plaintiff’s ownership of a valid, protectable trademark” as one element of a claim for trademark infringement under § 1114); Century 21 Real Estate LLC v. All Prof’l Realty, Inc., No. 10-2751, 2011 WL 221651, at \*10 (E.D. Cal. Jan. 23, 2011) (explaining that the elements of a claim under § 1125(a) are the same as the elements of a claim under § 1114(a) “with the exception that the trademark need not be registered”); Glow Indus., Inc. v. Lopez, 252 F. Supp. 2d 962, 975 n.90 (C.D. Cal. 2002) (noting that “[t]he standard for Lanham Act unfair competition is the same as that for Lanham Act trademark infringement” and that “the elements of state claims for trademark infringement and unfair competition are substantially similar to those of the comparable federal claims”); CG Roxane LLC v. Fiji Water Co. LLC, 569 F. Supp. 2d 1019, 1034 (N.D. Cal. 2008) (noting that “plaintiff must prove that it has a valid mark” to state a federal or state trademark dilution claim). Plaintiff seeks to recover for Defendant’s alleged infringement and dilution of two marks: (1) its registered mark in “Red Gold” (“the Word Mark”), and (2) its unregistered trademark in the gold alloy with an amber hue that it uses in its products (“the Color Mark”). Defendant moves to dismiss all claims because it contends that these marks are not protectable. Defendant also moves to dismiss the claims relating to its

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

alleged unlawful use of the “Red Gold” word mark on the ground that its use of those words is fair as a matter of law. The Court addresses the protectability of each mark in turn.

### 1. THE WORD MARK

Breitling moves to dismiss all claims based on its use of Plaintiff’s “Red Gold” word mark on the grounds (1) that the mark is generic and thus not entitled to protection, and (2) that, regardless, its use of the word mark was fair as a matter of law. (Mem. at 4–12.)

A generic mark is invalid and not subject to trademark protection. Advertise.com, Inc. v. AOL Advertising, Inc., 616 F.3d 974, 977 (9th Cir. 2010). A generic term is one that “refer[s] to ‘the genus of which the particular product or service is a species,’ i.e., the name of the product or service itself.” Id. Unlike generic marks, descriptive marks are protected by trademark law. Id. “A descriptive mark describes the qualities or characteristics of a product.” Id. To determine whether a mark is generic, the Ninth Circuit uses the “‘who-are-you/what-are-you’ test.” Yellow Cab Co. v. Yellow Cab of Elk Grove, Inc., 419 F.3d 925, 929 (9th Cir. 2005). A descriptive mark “answers the buyer’s questions ‘Who are you?’ ‘Where do you come from?’ ‘Who vouches for you?’” Id. By contrast, a generic mark “answers the question ‘What are you?’” Id. Put another way, “[t]o determine whether a term [is] generic, we look to whether consumers understand the word to refer only to a particular producer’s goods or whether the consumer understands the word to refer to the goods themselves.” Advertise.com, Inc., 616 F.3d at 977. (quoting Yellow Cab Co., 419 F.3d at 929). If consumers understand the word to refer only to a particular producer’s goods, it is not generic. Yellow Cab Co., 419 F.3d. at 929.

Whether a mark is generic or descriptive is a question of fact. Advertise.com, Inc., 616 F.3d at 977. This, however, does not mean that a court can never dismiss a claim at the 12(b)(6) stage on the ground that a mark is generic and thus invalid. See Closed Loop Mktg., Inc. v. Closed Loop Mktg., LLC, 589 F. Supp. 2d 1211, 1217 (E.D. Cal. 2008). “[T]he requirement that the court accept all plaintiff’s factual allegations as true, and construe the available evidence in the light most favorable to plaintiff, does not compel the court to accept plaintiff’s conclusory allegations as to which category [a mark] fits into. Instead, the court asks whether the plaintiff’s allegations or the judicially noticed facts are sufficient to resolve this question.” Id. Ninth Circuit case law confirms that the Court can consider judicially noticeable facts in resolving a motion to dismiss. Colony Cove Props., LLC v. City of Carson, 640 F.3d 948, 955 (9th Cir. 2011).

Here, judicially noticeable facts make clear that the “Red Gold” word mark answers the question “what are you?” not “who are you?” and thus is generic and unprotected. Under the

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

Federal Rules of Evidence, a fact is subject to judicial notice if it is “capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned.” Fed. R. Evid. 201(b). Defendant has put forth evidence that the term “red gold” is used to describe a type of gold that is alloyed with copper to have a reddish hue. In particular, Defendant has offered a scientific book, an article from the Metropolitan Museum Journal, and an 1884 newspaper that refer to “red gold.” (Docket No. 9, Req. for Jud. Not., Exs. A, B, C.) As the authenticity of these sources is not disputed, the Court may take judicial notice of their “existence and contents.” See Cal. ex. rel. Lockyer v. Mirant Corp., 266 F. Supp. 2d 1046, 1053 (N.D. Cal. 2003); (see also Docket No. 13, Objection to Req. for Jud. Not. (not disputing authenticity of Defendant’s exhibits and acknowledging that the “existence and contents” of documents are proper subjects of judicial notice)). The Court therefore does not judicially notice the truth of the statements contained in these sources, but rather only the fact that these documents refer to “red gold.”

The Court also takes judicial notice of the fact that the Oxford English Dictionary contains an entry for “red gold,” which it defines as “gold alloyed with copper.” (Docket No. 17, Supp. Req. for Jud. Not., Ex. G.)<sup>1</sup> A dictionary definition is a proper subject of judicial notice. See Wayne v. Leal, No. 07-1605, 2009 WL 2406299, at \*4 (S.D. Cal. Aug. 4, 2009) (noting that a court may take judicial notice of facts “that are capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned, such as an almanac, dictionary, calendar, or other similar source” (emphasis added)).

Thus, Defendant has presented judicially noticeable evidence that “red gold” is a word used in the public domain to describe a type of gold. Notably, these documents do not refer to Plaintiff’s products, but rather refer to “red gold” as a generic type of metal. This evidence thus shows that the term “red gold” is “identified with all such goods . . . , regardless of their suppliers.” See Yellow Cab Co., 419 F.3d at 929. It denotes what something is, not who produces it. It is therefore generic and unprotectable. See id.

Plaintiff objects that the registration of its trademark creates a presumption of validity of its mark that cannot be overcome on a motion to dismiss. (Opp. at 8.) To be sure, “[f]ederal registration of a mark constitutes prima facie evidence” that a mark is valid and thus not generic. Yellow Cab Co., 418 F.3d at 928 (citing 15 U.S.C. § 1057(b)). A defendant, however, can

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<sup>1</sup> Defendant submitted a copy of the Oxford English Dictionary that is virtually illegible. However, the Court takes judicial notice that the Oxford English Dictionary website lists this definition for red gold. See Red Gold, Oxford English Dictionary, available at <http://www.oed.com/view/Entry/79763?rkey=Uyuorb&result=1&isAdvanced=false#eid126826778>.

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

“overcome the presumption by a showing by a preponderance of the evidence that the term was or has become generic.” *Id.* (internal quotations omitted). Breitling has rebutted that presumption here by pointing to judicially noticeable evidence that “red gold” is a generic term. Solid 21 does not cite any authority suggesting that a defendant cannot offer judicially noticeable facts to overcome the presumption of validity of a registered trademark on a motion to dismiss.

Plaintiff also argues that its “red gold” mark is not generic because it uses it to identify itself as the source of its products. (Opp. at 13.) This argument misses the mark. A generic term is not a valid trademark, regardless of whether a party uses it to identify itself as the source of goods. See *Filipino Yellow Pages, Inc. v. Asian Journal Publ’ns, Inc.*, 198 F.3d 1143, 1146 (9th Cir. 1999) (“If the term is generic, it cannot be the subject of trademark protection under any circumstances, even with a showing of secondary meaning.”).

Next, Plaintiff argues that “red gold” is not generic as used here because “red gold” is defined as an alloy that is 50 percent gold and 50 percent copper, and Defendant has not shown that Solid 21’s jewelry is 50 percent gold and 50 percent copper. (Opp. at 11–12.) This argument fails. “Red gold” refers to a metal in which gold is alloyed with copper; it does not necessarily refer to a metal that is 50 percent of each. Thus, whether Plaintiff’s jewelry is precisely 50 percent gold and 50 percent copper is irrelevant.

Finally, Plaintiff suggests that “red gold” is not generic because “[t]here is a plethora of ways Breitling could describe its goods without using ‘Red Gold,’ including but not limited to, ‘rose gold, ‘everrose gold,’ ‘pink gold,’” etc. (Opp. at 12.) Plaintiff, however, cites no authority for the proposition that a term is not generic if competitors could also use other terms to accurately describe goods of that kind. Indeed, case law establishes that the availability of synonyms does not prevent a term from being generic. *Loctite Corp. v. Nat’l Starch & Chem. Corp.*, 516 F. Supp. 190, 201 (S.D.N.Y. 1981) (“[T]he existence of synonyms for a term does not mean the term is not generic. There may be more than one term which the consuming public understands as designating a category of goods.”); see also *In re Recorded Books, Inc.*, 42 U.S.P.Q.2d 1275, 1281 (T.T.A.B. 1997) (“[A] product may have more than one generic name.”).

Because the Court concludes that the “Red Gold” word mark is generic and therefore unprotectable, it **DISMISSES with prejudice** all of Plaintiff’s claims to the extent that they are based on Defendant’s alleged infringement of the “Red Gold” word mark. In light of this disposition, the Court need not reach Defendant’s alternative argument that its use of the mark constituted non-actionable fair use as a matter of law.

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

## 2. THE COLOR MARK

Plaintiff also asserts claims based on Defendant's alleged infringement of "the amber hue gold alloy" that Plaintiff created. (FAC ¶¶ 41, 51, 57, 63, 68.) Plaintiff does not contend that this purported trademark is federally registered. To make out a claim for infringement of an unregistered trademark, a plaintiff must show that the trademark "(1) is nonfunctional; (2) is either inherently distinctive or has acquired a secondary meaning; and (3) is likely to be confused with [the defendant's] products by members of the consuming public." Int'l Jensen, Inc. v. Metrosound U.S.A., Inc., 4 F.3d 819, 823 (9th Cir. 1993) Defendant moves to dismiss all claims based on its alleged use of Plaintiff's color mark on the ground that the color is aesthetically functional and thus not protected.

Trademark law does not protect trademarks or trade dress that are functional. Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc., 457 F.3d 1062, 1067 (9th Cir. 2006). A product feature is considered "functional if it is 'essential to the use or purpose of the article or affects its cost or quality.'" Id. (quoting Inwood Labs., Inc. v. Ives Labs., Inc., 456 U.S. 844, 851 n.10 (1982)). By refusing to protect features that are functional, "'the functionality doctrine prevents trademark law, which seeks to promote competition by protecting a firm's reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature.'" Id. (quoting Qualitex Co. v. Jacobson Prods. Co., Inc., 514 U.S. 159, 164 (1995)).

Courts in this Circuit follow a two-step inquiry to determine whether a product feature is functional.<sup>2</sup> Id. at 1072. First, the Court must "inquire whether the alleged 'significant non-trademark function' satisfies the Inwood Laboratories definition of functionality—'essential to the use or purpose of the article or affects its cost or quality.'" Id. (quoting TrafFix Devices, Inc. v. Mktg. Displays, Inc., 532 U.S. 23, 32–33 (2001)) (alterations omitted). If it does, the feature is functional and thus not protected. Id. In the second step, the court inquires whether the feature is aesthetically functional. See id. In that step, a court "inquires whether protection of the feature as a trademark would impose a significant non-reputation-related competitive disadvantage." Id. If it would, the feature is also functional and thus not protected. See id. At this stage, Defendant argues only that its use of Plaintiff's purported red gold color mark is aesthetically functional under the second prong of this test. (Reply at 16 n.5.)

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<sup>2</sup> In its opposition to the motion to dismiss, Plaintiff incorrectly contends that the Ninth Circuit applies a four-factor test to determine functionality. (Opp. at 22.) The four-factor test the Plaintiff recites applies only to determine whether a feature is "functional under the utilitarian definition." See Au-Tomotive Gold, Inc., 457 F.3d at 1072 (citing Talking Rain Beverage Co. v. S. Beach Beverage Co., 349 F.3d 601, 603–04 (9th Cir. 2004)). The Ninth Circuit, however, also recognizes product features that are aesthetically functional. See id. at 1072–73.

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

“Functionality is a question of fact.” Clicks Billiards, Inc. v. Sixshooters, Inc., 251 F.3d 1252, 1258 (9th Cir. 2001). Determining whether an unregistered mark is functional or nonfunctional therefore “cannot be resolved on a motion to dismiss.” DocMagic, Inc. v. Ellie Mae, Inc., 745 F. Supp. 2d 1119, 1141 (N.D. Cal. 2010); accord Axis Imex, Inc. v. Sunset Bay Rattan, Inc., No. 08-3931, 2009 WL 55178, at \*3 (N.D. Cal. Jan. 7, 2009); Morton v. Rank Am. Inc., 812 F. Supp. 1062, 1069 (C.D. Cal. 1993). Defendant has not cited, and the Court did not find, any case where a court determined that a mark was functional as a matter of law at the motion to dismiss stage. The Court therefore cannot conclusively determine at this stage whether Plaintiff’s color mark is functional.

At the motion to dismiss stage, however, a plaintiff still has the burden to “plead facts which demonstrate that the color . . . is not a functional feature” of its watches and jewelry. Colour World, LLC v. SmartHealth, Inc., No. 09-0505, 2010 WL 299512, at \*4 (E.D. Pa. Jan. 25, 2010); accord GNI Waterman LLC v. A/M Valve Co. LLC, No. 07-0863, 2007 WL 2669503, at \*6 (E.D. Cal. Sept. 7, 2007) (requiring plaintiff to amend complaint to make more “defined non-functionality allegations”). Here, Solid 21 has not presented sufficient factual allegations supporting its claim that its gold “with an amber hue” is non-functional. To be sure, Solid 21 alleges that its “gold with the amber hue . . . is non-functional.” (FAC ¶ 22D.) This, however, is merely a legal conclusion that the Court need not take as true on a motion to dismiss. See Iqbal, 129 S. Ct. at 1949–50. Solid 21 has not provided any supporting factual allegations that plausibly suggest that its use of the “gold with the amber hue” is non-functional under the Au-Tomotive Gold test. In other words, Solid 21 has not alleged facts showing that protecting its use of the amber gold color would not “impose a significant non-reputation-related competitive disadvantage.” See Au-Tomotive Gold, Inc., 457 F.3d at 1072. Solid 21 has alleged that the “gold with the amber hue” identifies it as the producer of the goods and is associated with it and the “Red Gold” mark. (FAC ¶¶ 22B, C.) This, however, does not amount to an allegation that giving that color trademark protection would not impose a significant competitive disadvantage unrelated to reputation. Without alleging such facts, Solid 21 has not stated a “claim to relief that it is plausible on its face” as required by Federal Rule of Civil Procedure 8 as interpreted by Iqbal and Twombly. See Iqbal, 129 S. Ct. at 1949 (citing Twombly, 550 U.S. at 570). The Court therefore **DISMISSES** Plaintiff’s claims to the extent that they are based on Defendant’s allegedly improper use of Plaintiff’s “gold with an amber hue” color mark. Plaintiff, however, shall be given **leave to amend** its complaint to allege facts that plausibly suggest that its use of the amber-gold color is nonfunctional.

**III. CONCLUSION**

**LINK: 7**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**CIVIL MINUTES - GENERAL**

Case No.	CV 11-0457 GAF (PLAx)	Date	July 19, 2011
Title	Solid 21, Inc. v. Breitling USA inc. et al		

For the reasons set forth above, the Court **GRANTS** Breitling's motion to dismiss. All claims based on Breitling's alleged infringement of the "Red Gold" word mark are **DISMISSED with prejudice**. All claims based on Breitling's alleged infringement of Plaintiff's unregistered color trademark of "gold with an amber hue" are **DISMISSED with leave to amend**. If Plaintiff wishes to pursue its claims, it must file an amended complaint addressing the deficiencies identified above by **no later than August 3, 2011**. **Failure to file an amended complaint by that deadline will be deemed consent to dismissal of the remaining claims.** The hearing on this motion currently scheduled for July 25, 2011, is hereby **VACATED**.

**IT IS SO ORDERED.**

# **EXHIBIT B**

**General Docket**  
**United States Court of Appeals for the Ninth Circuit**

<b>Court of Appeals Docket #:</b> 11-56439		<b>Docketed:</b> 08/24/2011	
<b>Nature of Suit:</b> 3840 Trademark Solid 21, Inc. v. Breitling USA, Inc., et al			
<b>Appeal From:</b> U.S. District Court for Central California, Los Angeles			
<b>Fee Status:</b> Paid			
<b>Case Type Information:</b>			
1) civil 2) private 3) null			
<b>Originating Court Information:</b>			
<b>District:</b> 0973-2 : <a href="#">2:11-cv-00457-GAF-PLA</a>			
<b>Court Reporter:</b> Blanca Aguilar, Official Court Reporter			
<b>Trial Judge:</b> Gary A. Feess, District Judge			
<b>Date Filed:</b> 01/14/2011			
<b>Date Order/Judgment:</b>	<b>Date Order/Judgment EOD:</b>	<b>Date NOA Filed:</b>	<b>Date Rec'd COA:</b>
07/19/2011	07/19/2011	08/22/2011	08/22/2011
<b>Prior Cases:</b>			
None			
<b>Current Cases:</b>			
None			

SOLID 21, INC., a Nevada Corporation headquartered in Los Angeles, California  
 Plaintiff - Appellant,

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v.

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 Defendant - Appellee,

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BREITLING SA, a Swiss Corporation  
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(see above)

SOLID 21, INC., a Nevada Corporation headquartered in Los Angeles, California,

Plaintiff - Appellant,

v.

BREITLING USA, INC., a Connecticut Corporation; BREITLING SA, a Swiss Corporation,

Defendants - Appellees.

08/24/2011	<input type="checkbox"/> <a href="#">1</a> 14 pg, 777.59 KB	DOCKETED CAUSE AND ENTERED APPEARANCES OF COUNSEL. SEND MQ: Yes. The schedule is set as follows: Fee due from Appellant Solid 21, Inc. on 08/22/2011. Mediation Questionnaire due on 08/31/2011. Transcript ordered by 09/21/2011. Transcript due 12/20/2011. Appellant Solid 21, Inc. opening brief due 01/30/2012. Appellees Breitling SA, Breitling USA, Inc. answering brief due 02/29/2012. Appellant's optional reply brief is due 14 days after service of the answering brief. [7868562] (BG)
08/31/2011	<input type="checkbox"/> <a href="#">2</a> 4 pg, 2.12 MB	Filed (ECF) Appellant Solid 21, Inc. Mediation Questionnaire. Date of service: 08/31/2011. [7878196] (RAK)
09/01/2011	<input type="checkbox"/> <a href="#">3</a> 1 pg, 97.48 KB	Filed clerk order (Deputy Clerk: KD): Order to show cause docket fee due. [7879082] (KD)
09/08/2011	<input type="checkbox"/> <a href="#">4</a> 6 pg, 54.04 KB	Filed order MEDIATION (EPM): The Mediation Program of the Ninth Circuit Court of Appeals facilitates settlement while appeals are pending. See Fed. R. App. P. 33 and Ninth Cir. R. 33-1. The court has scheduled a telephone settlement assessment conference, with counsel only, on October 27, 2011, at 2:00 p.m. PACIFIC (San Francisco) Time to discuss whether this case is appropriate for participation in the Mediation Program. The Circuit Mediator will initiate the conference call by contacting each person on the attached list of participants at the telephone number listed. Please be available for the call at least five minutes before the scheduled time. Counsel should review the attached list and inform the Mediation Assistant by email (Beatriz_Smith@ca9.uscourts.gov) at least 72 hours in advance of the scheduled call of any of the following: (1) any attorneys on the list of counsel who will not be participating in the conference; (2) the direct dial phone number of any participant if it is not listed; and (3) any other corrections to the list. Please notify the Circuit Mediator immediately by fax (415-355-8566) if the dispute is settled, the appeal is dismissed or if counsel has an unavoidable scheduling conflict. Please copy all counsel on any such communications. All discussions that take place in the context of the assessment conference are strictly confidential. For more detailed information about the assessment conference, confidentiality, the Mediation Program and its procedures generally, please see the attachment to this order and the Mediation Program web site: www.ca9.uscourts.gov/mediation. The briefing schedule previously set by the court remains in effect. [7886464] (BJB)
09/09/2011	<input type="checkbox"/> 5	Received notification from District Court re: payment of docket fee. Amount Paid: USD 455.00. Date paid: 09/08/2011. [7887356] (BY)
10/27/2011	<input type="checkbox"/> <a href="#">6</a> 1 pg, 28.82 KB	Filed order MEDIATION (LJ): On October 27, 2011, a telephone conference was held with Circuit Mediator Lisa Jaye. The court will initiate a further conference by telephone on November 11, 2011, at 11:30 a.m. PACIFIC (San Francisco) Time. Counsel are requested to contact the undersigned should circumstances develop that warrant further discussions prior to the next scheduled conference. [7945528] (BJB)
11/15/2011	<input type="checkbox"/> <a href="#">7</a> 1 pg, 29.03 KB	Filed order MEDIATION (LJ): On November 11, 2011, a telephone conference was held with Circuit Mediator Lisa Jaye. The court will initiate a further conference by telephone on December 1, 2011, at 11:00 a.m. PACIFIC (San Francisco) Time. Counsel are requested to contact the undersigned should circumstances develop that warrant further discussions prior to the next scheduled conference. [7967164] (BJB)
11/17/2011	<input type="checkbox"/> <a href="#">8</a> 1 pg, 28.4 KB	Filed order MEDIATION (LJ): Due to a conflict that has arisen for the undersigned, the telephone conference scheduled for December 1, 2011, is rescheduled to December 9, 2011, at 11:00 a.m. PACIFIC (San Francisco) Time. [7970329] (BJB)
12/13/2011	<input type="checkbox"/> <a href="#">9</a> 1 pg, 29.34 KB	Filed order MEDIATION (LJ): On December 8, 2011, a telephone conference was held with Circuit Mediator Lisa Jaye. The briefing schedule previously set by the court is vacated. The court will initiate a further conference by telephone on January 30, 2012, at 11:00 a.m. PACIFIC (San Francisco) Time. Counsel are requested to contact the undersigned should circumstances develop that warrant further discussions prior to the next scheduled conference. [7999501] (BJB)
01/31/2012	<input type="checkbox"/> <a href="#">10</a> 1 pg, 29.11 KB	Filed order MEDIATION (LJ): On January 30, 2012, a telephone conference was held with Circuit Mediator Lisa Jaye. The court will initiate a further conference by telephone on February 16, 2012, at 11:00 a.m. PACIFIC (San Francisco) Time. Counsel are requested to contact the undersigned should circumstances develop that warrant further discussions prior to the next scheduled conference. [8051436] (BJB)
02/17/2012	<input type="checkbox"/> <a href="#">11</a> 2 pg, 24.32 KB	Filed order MEDIATION (LJ): On February 16, 2012, a telephone conference was held with Circuit Mediator Lisa Jaye. The briefing schedule previously set by the court is reset as follows: appellant shall file an opening brief on or before March 21, 2012; appellees shall file an answering brief on or before May 21, 2012; appellant may file an optional reply brief within fourteen (14) days from the service date of the answering brief. The court has determined that this appeal will not be selected for inclusion in the Mediation Program. Counsel are requested to contact the undersigned should circumstances develop that warrant further settlement discussions while the appeal is pending. [8073776] (BJB)
03/20/2012	<input type="checkbox"/> 12	14 day oral extension by phone of time to file Appellant Solid 21, Inc. brief. Appellant Solid 21, Inc. opening brief due 04/04/2012. Appellees Breitling SA and Breitling USA, Inc. answering brief due 06/04/2012. The optional reply brief is due 14 days after service of the appellee brief. [8110679] (LN)
03/20/2012	<input type="checkbox"/> <a href="#">13</a> 1 pg, 223.88 KB	Filed (ECF) Appellant Solid 21, Inc. Correspondence: Oral Extension of Time. Date of service: 03/20/2012 [8110755] (RAK)
04/04/2012	<input type="checkbox"/> <a href="#">14</a> 59 pg, 619.29 KB	Submitted (ECF) Opening brief for review. Submitted by Appellant Solid 21, Inc.. Date of service: 04/04/2012. [8127595] (RAK)

04/04/2012	<input type="checkbox"/> <a href="#">15</a> 15 pg, 1.67 MB	Filed (ECF) Appellant Solid 21, Inc. Motion to take judicial notice of the lack of a definition for the word "RED GOLD" in American Dictionaries.. Date of service: 04/04/2012. [8127600] (RAK)
04/04/2012	<input type="checkbox"/> <a href="#">16</a> 1 pg, 205.57 KB	Filed (ECF) Appellant Solid 21, Inc. Correspondence: Request for Oral Argument. Date of service: 04/04/2012 [8127604] (RAK)
04/04/2012	<input type="checkbox"/> <a href="#">17</a> 2 pg, 81.77 KB	Filed clerk order: The opening brief <a href="#">[14]</a> submitted by Solid 21, Inc. is filed. Within 7 days of the filing of this order, filer is ordered to file 7 copies of the brief in paper format, accompanied by certification, attached to the end of each copy of the brief, that the brief is identical to the version submitted electronically. Cover color: blue. The paper copies shall be printed from the PDF version of the brief created from the word processing application, not from PACER or Appellate ECF. [8127791] (SLH)
04/05/2012	<input type="checkbox"/> 18	Filed Appellant Solid 21, Inc. excerpts of record in 2 volumes. Served on 04/04/2012. [8130012] (SLH)
04/11/2012	<input type="checkbox"/> 19	Received 7 paper copies of Opening brief <a href="#">[14]</a> filed by Solid 21, Inc.. [8136458] (SD)
05/25/2012	<input type="checkbox"/> <a href="#">20</a> 1 pg, 25.45 KB	Filed (ECF) notice of appearance of Bennett Evan Cooper for Appellees Breitling SA and Breitling USA, Inc.. Date of service: 05/25/2012. [8192346] (BEC)
05/25/2012	<input type="checkbox"/> 21	Added attorney Bennett Evan Cooper for Breitling USA, Inc. Breitling SA, in case 11-56439. [8192387] (CW)
06/04/2012	<input type="checkbox"/> 22	14 day oral extension by phone of time to file Appellees Breitling SA and Breitling USA, Inc. brief. Appellees Breitling SA and Breitling USA, Inc. answering brief due 06/18/2012. The optional reply brief is due 14 days after service of the appellee brief. [8201427] (JN)
06/18/2012	<input type="checkbox"/> <a href="#">23</a> 66 pg, 219.17 KB	Submitted (ECF) Answering brief for review. Submitted by Appellees Breitling SA and Breitling USA, Inc.. Date of service: 06/18/2012. [8218703] (BEC)
06/18/2012	<input type="checkbox"/> <a href="#">24</a> 319 pg, 13.14 MB	Filed (ECF) Appellees Breitling SA and Breitling USA, Inc. Motion to take judicial notice of Appendix to Request for Judicial Notice on Appeal. Date of service: 06/18/2012. [8218707] (BEC)
06/20/2012	<input type="checkbox"/> <a href="#">25</a> 2 pg, 82.36 KB	Filed clerk order: The answering brief <a href="#">[23]</a> submitted by Breitling SA and Breitling USA, Inc. is filed. Within 7 days of the filing of this order, filer is ordered to file 7 copies of the brief in paper format, accompanied by certification, attached to the end of each copy of the brief, that the brief is identical to the version submitted electronically. Cover color: red. The paper copies shall be printed from the PDF version of the brief created from the word processing application, not from PACER or Appellate ECF. [8222130] (SLH)
06/22/2012	<input type="checkbox"/> 26	Received 7 paper copies of Answering brief <a href="#">[23]</a> filed by Breitling SA and Breitling USA, Inc.. [8225459] (SD)
06/28/2012	<input type="checkbox"/> 27	Oral extension by phone of time to file Solid 21, Inc. optional reply brief. Appellant Solid 21, Inc. reply brief due 07/16/2012. [8232111] (LN)
06/28/2012	<input type="checkbox"/> <a href="#">28</a> 1 pg, 237.92 KB	Filed (ECF) Appellant Solid 21, Inc. Correspondence: Extension on Date of Filing Reply Brief. Date of service: 06/28/2012 [8232330] (RAK)
07/16/2012	<input type="checkbox"/> <a href="#">29</a> 14 pg, 323.31 KB	Filed (ECF) Appellant Solid 21, Inc. response opposing motion (,motion to take judicial notice). Date of service: 07/16/2012. [8252204] (RAK)
07/16/2012	<input type="checkbox"/> <a href="#">30</a> 170 pg, 19.88 MB	Filed (ECF) Appellant Solid 21, Inc. Motion to take judicial notice of Appellant's Appendix, Volumes I to V. Date of service: 07/16/2012. [8252211] (RAK)
07/16/2012	<input type="checkbox"/> <a href="#">31</a> 46 pg, 672 KB	Submitted (ECF) Reply brief for review. Submitted by Appellant Solid 21, Inc.. Date of service: 07/16/2012. [8252213] (RAK)
07/17/2012	<input type="checkbox"/> <a href="#">32</a> 2 pg, 82.01 KB	Filed clerk order: The reply brief <a href="#">[31]</a> submitted by Solid 21, Inc. is filed. Within 7 days of the filing of this order, filer is ordered to file 7 copies of the brief in paper format, accompanied by certification, attached to the end of each copy of the brief, that the brief is identical to the version submitted electronically. Cover color: gray. The paper copies shall be printed from the PDF version of the brief created from the word processing application, not from PACER or Appellate ECF. [8252317] (SLH)
07/20/2012	<input type="checkbox"/> 33	Received 7 paper copies of Reply brief <a href="#">[31]</a> filed by Solid 21, Inc.. [8257784] (SD)
07/26/2012	<input type="checkbox"/> <a href="#">34</a> 10 pg, 27.99 KB	Filed (ECF) Appellees Breitling SA and Breitling USA, Inc. reply to response (, ,motion to take judicial notice). Date of service: 07/26/2012. [8265548] (BEC)

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<b>Billable Pages:</b>	4	<b>Cost:</b>	0.40

**CERTIFICATE OF SERVICE**

I hereby certify that on this 1<sup>st</sup> day of October, 2011, I caused a true and correct copy of the foregoing Stipulated Motion to Suspend Proceedings to be served by email, with consent, upon counsel for Registrant: Ryan D. Kashfian, Esq. at ryan@kashfianlaw.com.

/Laura Popp-Rosenberg/  
Laura Popp-Rosenberg