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

| | |
|------------------------|---|
| Proceeding | 92055426 |
| Party | Plaintiff Run It Consulting, LLC |
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| Date | 08/21/2013 |
| Attachments | Trial Brief of Petitioner Run It Consulting - Public Submission.pdf(351752 bytes) |

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
The Trademark Trial and Appeal Board**

In the matter of U.S. Registration 1,962,898,
For the mark AMERICAN MUSCLE,
Registered on the Principal Register on March 19, 1996.

| | | |
|-------------------------|---|---------------------------|
| Run It Consulting, LLC, | : | |
| | : | |
| Petitioner, | : | |
| | : | |
| vs. | : | Cancellation No. 92055426 |
| | : | |
| Augusto Lodi, | : | |
| | : | |
| Registrant. | : | |

TRIAL BRIEF OF PETITIONER RUN IT CONSULTING, LLC
(PUBLIC SUBMISSION)

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COMES NOW the Petitioner Run It Consulting, LLC (hereinafter “Petitioner” or “Run It Consulting”), by counsel, and respectfully submits its brief in support of the instant Petition to Cancel.

PRELIMINARY STATEMENT

The instant matter comes before the Board on Petitioner’s Petition to Cancel U.S. Registration No. 1,962,898 for the trademark AMERICAN MUSCLE on the grounds that Registrant Augusto Lodi ceased use of the trademark and/or ceased use of the trademark in interstate commerce without an intent to resume use thereof.

As more fully set forth below, the evidence establishes a prima facie case of abandonment based upon a period of use and/or lack of evidence of use for six (6) or more years coupled with insufficient credible evidence to establish an intent to resume use in interstate commerce once alleged use resumed.

THE RECORD BEFORE THE BOARD

The record before the Board includes the testimonial depositions of two witnesses, two notices of reliance, and the registration at issue as set forth below:

Trial Testimony

| <u>Witness</u> | <u>Title</u> | <u>Date</u> |
|------------------------|-----------------------------------|---------------|
| 1. Markus Trillsch | Principal, Run It Consulting, LLC | March 7, 2013 |
| 2. Leander “Andy” Lodi | Party ¹ | May 7, 2013 |

¹ The owner of the registration at issue is listed as Augusto Lodi. By assignment(s) dated May 11, 2012 and June 25, 2012 the registration at issue was assigned to Leander Lodi.

Notices of Reliance

| <u>Submitting Party</u> | <u>Title</u> | <u>Filed</u> |
|-------------------------|---|--------------|
| Petitioner | Petitioner’s Notice of Reliance- Confidential | 03/08/2013 |
| Petitioner | Petitioner’s Notice of Reliance | 03/08/2012 |

Registration(s)

U.S. Registration No. 1,962,898.

STATEMENT OF FACTS

A. Run It Consulting, LLC

Run It Consulting, Petitioner in the instant matter, is a Nevada LLC parent company that owns several different nutritional supplement brands. See Deposition of Markus Trillsch dated March 7, 2013 (hereinafter Trillsch Depo.) at pp. 5. The company was organized in 2009. Id..

On or about August 17, 2011 Petitioner adopted and began use of the design mark below in connection with the following goods in International Class 5: “Dietary supplements; Nutritional supplements; Nutritional supplements for muscle growth; Weight management supplements” (hereinafter “Petitioner’s Goods”):



(hereinafter “Petitioner’s Mark”) Trillsch Depo. at pp. 7-10. See also Trillsch Depo. at Exhibits 2, 3. Petitioner’s Goods used in connection with Petitioner’s Mark are currently sold through all

150 GNC stores nationwide, through Anytime Fitness and Gold's Gyms, as well as online at Americanmuscle.us. Id. at pp. 30-31, 33.

On or about September 1, 2011 Petitioner filed an application to register Petitioner's Mark with the United States Patent and Trademark Office (hereinafter "the Office"). Trillsch Depo. at pp. 8-9. See also Trillsch Depo. at Exhibit 3. Petitioner's Mark received U.S. Ser. No. 85/413,449. Trillsch Depo. at Exhibit 3.

On or about December 19, 2011 Petitioner's Mark was refused registration by the Office on the grounds that, if registered, Petitioner's Mark may create a likelihood of confusion with the mark which is the subject of the instant cancellation proceeding (hereinafter "Respondent's Mark"). Trillsch Depo. at pp. 9-11. See also Trillsch Depo. at Exhibit 4.

Upon receiving the refusal Markus Trillsch (hereinafter "Mr. Trillsch"), principal of the Petitioner, conducted hours of research to determine whether the Respondent's Mark was still in use. Trillsch Depo. at pp. 4-5, 11-12. Mr. Trillsch searched Google.com, Yahoo.com, Bing.com and in various relevant bodybuilding online forums such as Bodybuilding.com and Anabolic Minds. Id at pp. 11-12, 25. He also searched nutritional product providers such as GNC.com and Vitaminshoppe.com. Id. at p. 20.

Mr. Trillsch's quires at these sites included, but where not limited to, searched for "American Muscle supplements", "American Muscle vitamins", and "American Muscle products". Trillsch Depo. at p. 25.

As a result of his research he could not locate any proof that Respondent's Mark was still in use. Id. at pp. 11-12. The instant Petition to Cancel soon followed.

[REDACTED]

C. Abandonment of Mr. Lodi's Rights

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

D. Alleged Resumption of Intrastate Use

On or about April 2, 2012 Petitioner instituted the instant action seeking to cancel Respondent’s Mark on the grounds that the same had been abandoned without the intent to resume use thereof. See Petition to Cancel. [REDACTED]

[REDACTED]

[Redacted text block 1]

[Redacted text block 2]

[Redacted text block 3]

[Redacted text block 4]

[REDACTED]

ARGUMENT

To petition for the cancellation of a mark on the principal register, a petitioner must show that "(1) it has standing to challenge the continued presence on the register of the subject registration; and (2) there is a valid ground why the registrant is not entitled under law to maintain the registration." *Young v. AGE Corp.*, 152 F.3d 1377, 1379 (Fed. Cir. 1998) (citing 37 § 2.112(a) (1997)). The record demonstrates that both elements are satisfied here.

**A. Petitioner Has Standing by and Through Its Attempt to Register
*Petitioner's Mark.***

To establish standing, a petitioner must have a personal interest in the outcome of the case beyond that of the general public. *Ritchie v. Simpson*, 170 F.3d 1092, 1095 (Fed. Cir. 1999). In this case, Petitioner is applying for federal registration of the trademark AMERICAN MUSCLE and design in connection with "Dietary supplements; Nutritional supplements; Nutritional supplements for muscle growth; Weight management supplements." The U.S. Patent and Trademark Office has rejected Petitioner's application based Respondent's registration for the mark AMERICAN MUSCLE, Registration No. 1,962,898. Accordingly, Respondent's continued registration of the AMERICAN MUSCLE mark is denying Petitioner of the benefit of registration for its AMERICAN MUSCLE and design mark. As a result, Petitioner is being and is likely to continue to be damaged by Respondent's Registration No. 1,962,898, and certainly has an interest in the outcome of

this proceeding beyond that of the general public. *Jewelers Vigilance Committee, inc. v. Ullenberg Corp.*, 823 F.2d 490, 493 2 USPQ 2d 2021, 2023 (Fed. Cir. 1987) (rejection of a trademark application pursuant to Lanham Act § 2(d) is sufficient to establish standing).

B. Respondent Is Presumed to Have Abandoned the AMERICAN MUSCLE Mark Because He Made No Interstate Use the Same For in Excess of Three Continuous Years.

Under Section 1127 of the Lanham Act, a mark is considered abandoned as a result of nonuse:

When its use has been discontinued with intent not to resume such use. Intent not to resume may be inferred from circumstances. Nonuse for 3 consecutive years shall be prima facie evidence of abandonment. "Use" of a mark means the bona fide use of such mark made in the ordinary course of trade, and not made merely to reserve a right in a mark.

15 U.S.C. §1127. The statutory presumption that nonuse for three consecutive years is prima facie evidence of abandonment, "eliminates the challenger's burden to establish the intent element of abandonment as an initial part of its case." *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 1579 (Fed. Cir. 1990) (prima facie case established by showing that Respondent had not used the mark in the United States for the statutory period of years).

To constitute use in the ordinary course of business, a registrant must consummate sales of product bearing the subject mark in interstate commerce. See *Burlington Northern Santa Fe Corp. v. Purdy*, 1998 U.S. Dist. LEXIS 23537, *4 (N.D. Tex. Dec. 7, 1998) ("use in commerce' to support a valid registration of a service mark, [requires] proof . . . that the services identified by the mark have been rendered in interstate commerce"); TMEP 901.03 ("A purely intrastate use does not provide a basis for federal registration");

In re Mother Tucker's Food Experience (Canada) Inc., 925 F.2d 1402, 1405 (Fed. Cir. 1991) (use to support a Section 8 affidavit of continuous use must be foreign or interstate commerce). Thus, it is well settled that intrastate sales are wholly insufficient to support a registration or avoid a finding of abandonment. Standard Brands Inc. v. Schrage, 220 USPQ 337, 339-341 (N.D. Ga. 1982) (ordering cancellation of registered mark that was used only for intrastate sale of goods).

[REDACTED]

But after 1998, for a period of six years, Mr. Lodi cannot produce a scintilla of evidence concerning the continued use of advertisement of the mark at issue aside from his own testimony. Such self-serving proclamations, however, are “awarded little, if any, weight.” Rivard vs. Linville, 133 F.3d 1446, 1449 (Fed. Cir. 1998). More is needed. In this case, however, there is no more during this period.

[REDACTED]

[REDACTED] But throwing out documents in 1998 would only explain why there were documents lacking in 1998 and prior years. Not in 1999 and thereafter. In short, Mr. Lodi never offered a reason as to why there is no supporting evidence for use during 1998 through 2004. There is but one obvious answer: he had abandoned use of the mark.

As such, it is submitted that in the absence of any documentary evidence or otherwise to corroborate use from 1998 through 2004 [REDACTED]

[REDACTED] and, accordingly, Petitioner is thus entitled to the statutory presumption of abandonment for this clear period of non-use by Mr. Lodi.

Accordingly, the record clearly establishes that from 1998 through 2004, six consecutive years, Mr. Lodi did not sell products bearing the Respondent's Mark in interstate commerce. Specifically, [REDACTED] the record is devoid of any tangible evidence during this period.

It is therefore submitted that Petitioner has established its burden to show non-use by Mr. Lodi for three years or more thus setting forth prima facie case of abandonment and eliminating Petitioner's burden to establish the intent element of abandonment as an initial part of its case." *Imperial Tobacco Ltd.*, 899 F.2d at 1579.

C. Respondent Has Not Established an Intent to Resume Use in Interstate Commerce

Respondent contends that he can establish sales of the mark resuming in 2004 and through 20012. However, as set forth above, all of these sales occurred in the State of California without clear evidence of interstate use. *Burlington Northern Santa Fe Corp.*, 1998 U.S. Dist. LEXIS 23537, *4 (N.D. Tex. Dec. 7, 1998) ("use in commerce' to support a valid registration of a service mark, [requires] proof . . . that the services identified by the mark have been rendered in interstate commerce"); Thus, it is well settled that intrastate sales are wholly insufficient to support a registration or avoid a finding of

abandonment. Standard Brands Inc., 220 USPQ at 339-341 (ordering cancellation of registered mark that was used only for intrastate sale of goods).

[REDACTED]

[REDACTED]

Consistent with this theory, it was easy for Mr. Lodi to produce evidence concerning sales in the years 1997 and 1998 as well as advertising of the Respondent's Mark. [REDACTED]

[REDACTED]

[REDACTED]

Flash forward to 2012. Mr. Lodi receives a Petition to Cancel based on non-use and/or abandonment. Before understanding the technical aspects of the law [REDACTED]

[REDACTED] Once he is informed of the law, however, he knows he needs more. So he fabricates sales records to four alleged vendors of his product.

[REDACTED]

The entirety of the recitation above is supported by the evidence of record save for one: the allegation that the invoices from 2004 through 2012 may have been fabricated to corroborate use that never occurred. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

In short, Mr. Lodi's collective actions and inactions illustrate that he has not actively marketed or sold products in interstate commerce under the AMERICAN MUSCLE mark for many years and has no intention to alter course in the future. When the evidentiary record is examined as a whole, including the lack of any corroborating evidence as to interstate use and even the suspect nature of the few invoices produced from 2004 through 2012 there is ample evidence upon which to conclude that Respondent abandoned the mark without an intent to resume use thereof.

CONCLUSION

The sun has set on Respondent's AMERICAN MUSCLE mark. A clear period of non-use existed from 1998 through 2004 arising to the statutory presumption of abandonment. Moreover, Mr. Lodi has failed to establish resumption of use of the mark in interstate commerce or provide any evidence as to when that will occur. Finally, given the tenor and credibility of the testimony and the time line and evidentiary anomalies in this matter, it is suggested that Mr. Lodi has merely done what it takes in an effort to create a perception of continued use but, upon a close inspection thereof, has abandoned the mark at issue.

Accordingly, Respondent's registration should not prevent Petitioner's registration of its mark. Rather, Registration No. 1,962,898 should be cancelled.

Respectfully submitted this 21ST day of August, 2013.

THE TRADEMARK COMPANY, PLLC

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| Petitioner, | : | |
| | : | |
| vs. | : | Cancellation No. 92055426 |
| | : | |
| Augusto Lodi, | : | |
| | : | |
| Registrant. | : | |

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I caused a copy of the foregoing this 21ST day of August, 2013, to be served, via first class mail, postage prepaid, upon:

Michael DiNardo, Esq.
Kelley & Kelley LLP
6320 Canoga Avenue, Suite 1650
Woodland Hills, CA 91367

/Matthew H. Swyers/
Matthew H. Swyers