

ESTTA Tracking number: **ESTTA576889**

Filing date: **12/16/2013**

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

Proceeding	92057845
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Date	12/16/2013
Attachments	Multisorb Motion to Strike AD in Cancellation.pdf(219217 bytes)

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

MULTISORB TECHNOLOGIES, INC,

Petitioner,

v.

CLARIANT INTERNATIONAL AG,

Registrant.

Cancellation No.: 92057845

Application Serial No. 77823729

Registration No.: 3859182

Mark: OXY-GUARD

**PETITIONER’S MOTION TO STRIKE REGISTRANT’S
FIRST THROUGH EIGHTH AFFIRMATIVE DEFENSES AND
MEMORANDUM IN SUPPORT AND TO SUSPEND PROCEEDINGS**

Pursuant to Rule 12(f) of the Federal Rules of Civil Procedure and Sections 503, 506.01 and 506.02 of the Trademark Trial and Appeal Board Manual of Procedure (“TBMP”), Petitioner Multisorb Technologies, Inc. (“Multisorb” or “Petitioner”) respectfully requests that the Trademark Trial and Appeal Board (the “Board”) enter an order striking Registrant Clariant International AG’s (“Clariant” or “Registrant”) affirmative defenses numbers 1-8 (“Affirmative Defenses”) in Clariant’s Answer to the Petition for Cancellation (the “Answer”).

Additionally, since the Board’s determination of this Motion to Strike will affect the scope of discovery in this matter, Multisorb moves that the proceeding

be suspended pending consideration of the motion and that, after the Board decides the motion, the deadlines for discovery and trial be reset.

MEMORANDUM IN SUPPORT OF MOTIONS

PRELIMINARY STATEMENT

Clariant's Affirmative Defenses of failure to state a claim, lack of standing, waiver, laches, estoppel, acquiescence, unclean hands, and inherent distinctiveness should be stricken because they are, variously, frivolous, redundant, immaterial within the context of a proceeding regarding the mere descriptiveness of a mark, insufficiently plead, and/or do not constitute affirmative defenses at all. The Affirmative Defenses are conclusory assertions that do not plead the elements necessary to establish the Affirmative Defenses. None of Clariant's Affirmative Defenses provide Multisorb and this Board with fair notice of the factual basis for those defenses. Accordingly, Multisorb respectfully requests that Clariant's Affirmative Defenses numbers 1-8 be stricken.

ARGUMENT

I. THE BOARD SHOULD EXERCISE ITS DISCRETION TO ENTERTAIN THIS UNTIMELY MOTION TO STRIKE

In general, a motion to strike affirmative defenses should be filed with the Board within 21 days after service of the responsive pleading. TBMP § 506.02; Fed. R. Civ. P. 12(f). "However, the Board, upon its own initiative, and at any time . . . may order stricken from a pleading any insufficient defense or any

redundant, immaterial, impertinent, or scandalous matter.” TBMP § 506.02. “Thus, the Board, in its discretion, may entertain an untimely motion to strike a matter from a pleading.” *Id.*; see also *Order Sons of Italy In America v. Profumi Fratelli Nostra, AG*, 36 USPQ2d 1221, 1222 (TTAB 1995) (entertaining two motions to strike submitted after response deadlines); *American Vitamin Products, Inc. v. Dow Brands Inc.*, 22 USPQ2d 1313, 1314 (TTAB 1992) (entertaining untimely motion to strike); noting also C. WRIGHT & A. MILLER, 5C FEDERAL PRACTICE AND PROCEDURE, Civil 3d § 1380 (2012).

Although Petitioner’s motion to strike is untimely, Petitioner requests that the Board exercise its discretion and entertain this motion because doing so will serve the purpose and policy of motions to strike affirmative defenses, which is to “avoid the expenditure of time and money that must arise from litigating spurious issues.” *Sidney-Vinsein v. A.H. Robins Co.*, 697 F.2d 880, 885 (9th Cir. 1983). Such purpose would be served here where the Affirmative Defenses at issue are insufficiently plead, immaterial, frivolous, or not even affirmative defenses at all. Furthermore, the Board should know that the delay was not intended as a means of prejudicing Clariant during the discovery process, but was instead the result of a change of Multisorb’s counsel, which occurred shortly after Clariant’s answer was filed.

II. CLARIANT'S AFFIRMATIVE DEFENSES ARE IMMATERIAL, IMPERMISSIBLE, AND INSUFFICIENTLY PLED

- A. Clariant's eighth affirmative defense that its mark is inherently distinctive is not an affirmative defenses and should be stricken as impermissible

Clariant's eighth affirmative defense of acquired distinctiveness is not a proper affirmative defense and should be stricken as impermissible. An affirmative defense assumes the allegations in the complaint to be true and does not negate the elements of the cause of action. *Blackhorse v. Pro Football Inc.*, 98 USPQ2d 1633, 1637 (TTAB 2011). Here, Clariant's affirmative defense, that the registered mark is inherently distinctive, simply negates Multisorb's claim that the mark is merely descriptive. As a result, this affirmative defense makes no sense within the context of this case, and Petitioner suspects that Registrant has simply failed to delete it from a form pleading used in another matter.

Clariant's eighth affirmative defense is not a proper affirmative defense for the reasons set forth above and should be stricken.

- B. Clariant's first and second affirmative defenses of failure to state a claim upon which relief can be granted and lack of standing are not affirmative defenses and should be stricken as impermissible

Clariant's first and second affirmative defenses of failure to state a claim and lack of standing are also not affirmative defenses, are frivolous, and should be stricken.

Failure to state a claim upon which relief can be granted is not a true affirmative defense, and should not be considered an affirmative defense, because it relates to an assertion of the insufficiency of petitioner's pleading rather than a statement of a defense to a properly pleaded claim. *See Hornblower & Weeks Inc. v. Hornblower & Weeks Inc.*, 60 USPQ2d 1733, 1738 n.7 (TTAB 2001). Notwithstanding, a plaintiff may utilize the defendant's assertion of failure to state a claim to test the sufficiency of its pleading by moving under Rule 12(f) of the Federal Rules of Civil Procedure to strike this defense from the answer. *S.C. Johnson & Sons, Inc. v. GAF Corp.*, 177 USPQ 720 (TTAB 1973).

Even if considered, Clariant's first and second affirmative defenses of failure to state a claim and lack of standing would ultimately fail. 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 petitioning to cancel 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.

a. Multisorb has sufficiently articulated standing

To establish standing, a petitioner must show “a real interest” in the proceeding. *See Richie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999). Generally, where a claim of mere descriptiveness is asserted, it is sufficient for the plaintiff to establish that it is a competitor. *Plyboo America, Inc. v. Smith & Fong Co.*, 51 USPQ2d 1633 (TTAB 1999); *No Nonsense Fashions, Inc. v. Consolidated Foods Corp.*, 226 USPQ 502 (TTAB 1985).

Here, Multisorb has clearly articulated its standing in the initial complaint as a competitor of Clariant. Specifically, paragraphs 3-5 and 8-11 of the initial complaint state (in their entirety):

3. Multisorb develops, manufactures, and sells a full range of sorbent products, including plastic packaging containers that contain sorbents. These containers are used to extend the stability and shelf life of various goods and are used commonly in the food, beverage, and pharmaceutical industries. In addition, Multisorb develops, manufactures, and sells other sorbent products in a variety of forms (sachets, packets, canisters, etc.) for use in preventing oxidization in a variety of applications, including, but not limited to food, beverage, and pharmaceutical applications.

4. Like Multisorb, Clariant develops, manufactures, and sells sorbent products in the form of packaging containers for use in the food, beverage, and pharmaceutical industries. Clariant also produces sorbent packaging inserts in a variety of forms (including, packets) for use in a variety of industries.

5. Multisorb and Clariant directly compete in the sorbent products industry. Both companies offer sorbents in container form, as well as in the form of packets, sachets, and canisters to be inserted in packaging for use in a wide variety of industries.

...

8. Standing to assert a descriptiveness claim is shown by the petitioner having an interest in using the descriptive term in its business.

9. A competitor has a present or prospective right to use the term at issue descriptively in its business and therefore is presumed to have standing to petition to cancel on descriptiveness grounds.

10. As a competitor in the sorbent industry, Multisorb has a present and prospective right to use the mark at issue to describe its products in the course of its business.

11. Therefore, Multisorb has standing to seek to cancel the Registration.

The initial complaint makes clear that Multisorb, one of Clariant's competitors, has a right to use the descriptive words OXY and GUARD to refer to the features of some of its products, and that Clariant's limited trademark monopoly on these descriptive words injures Multisorb. Thus, the initial complaint demonstrates that standing has been properly alleged.

b. Multisorb has sufficiently articulated a valid ground for seeking cancellation of Registrant's mark

The second required showing, that a valid ground exists for seeking cancellation of the mark, has also been alleged. In general, a plaintiff may raise any available statutory ground for cancellation that negates the defendant's right to registration, including mere descriptiveness. *See Jewelers Vigilance Committee Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021, 2023 (Fed. Cir. 1987); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982); *Callaway Vineyard & Winery v. Endsley Capital Group, Inc.*, 63 USPQ2d 1919 (TTAB 2002).

Here, the grounds for the cancellation were clearly stated in the initial complaint as follows:

12. Clariant owns the Registration, which is for the mark OXY-GUARD for “packaging containers of plastic.”

13. Clariant actually uses the mark OXY-GUARD with a specific type of packaging: packaging that guards against the entry of oxygen.

14. Attached are the following exhibits showing how Clariant uses the mark OXY-GUARD in connection with packaging: . . .

15. OXY-GUARD, when used for “packaging containers of plastic,” merely describes Registrant’s Goods.

16. The qualities, features, functions, purpose, and use of Registrant’s Goods are to guard against oxygen reaching the product stored inside the packaging.

17. OXY-GUARD is merely descriptive of Registrant’s Goods because it describes the qualities, features, functions, purpose, and use of such goods.

18. Because OXY-GUARD is merely descriptive of Registrant’s Goods, the Registration should be cancelled under Lanham Act § 2(e)(1); 15 U.S.C. § 1052(e)(1).

Thus, a valid ground exists for seeking cancellation of the mark and was clearly stated in the initial petition.

Therefore, the petition for cancellation is legally sufficient and clearly contains allegations which, if proven, would establish Multisorb's standing and a valid ground for cancellation of the OXY-GUARD registration. Clariant's affirmative defenses 1 and 2 are frivolous. The first and second affirmative defenses should therefore be stricken.

C. Clariant's third through sixth affirmative defenses of waiver, laches, estoppel, and acquiescence should be stricken as immaterial

Clariant's third through sixth Affirmative Defenses allege waiver, laches, estoppel, and acquiescence, respectively. The defenses of waiver, laches, estoppel, and acquiescence are unavailable defenses when the basis of the attack on a registrant's mark is one of mere descriptiveness. Additionally, none of the defenses include supporting factual allegations.

It is well established that waiver, laches, estoppel, and acquiescence are not available as defenses in a descriptiveness proceeding. TBMP § 506.01 n. 7 citing *Ohio State University v. Ohio University*, 51 USPQ2d 1289, 1295 n. 16 (TTAB 1999), *see also Callaway Vineyard & Winery v. Endsley Capital Group, Inc.*, 63 USPQ2d 1919, 1923 (TTAB 2002) (equitable defense of laches, acquiescence, and estoppel cannot be asserted against a claim of descriptiveness). As a result, the

Affirmative Defenses 3-6—waiver, laches, estoppel, and acquiescence—are contrary to existing case law and are therefore frivolous.

In addition to being frivolous, the affirmative defenses of waiver, laches, estoppel and acquiescence lack sufficient factual bases and are not clearly stated in the answer. Bald allegations, such as those asserted in Clariant's Affirmative Defenses have repeatedly been stricken as legally insufficient to provide fair notice. *See e.g., Veles Int'l Inc. v. Ringing Cedars Press LLC*, Consolidated Opp. Nos. 91182303 and 91182304 (T.T.A.B. June 2, 2008) (Board struck, *sua sponte*, affirmative defenses of waiver, estoppel, and unclean hands, finding affirmative defenses legally insufficient where applicant provided no specific allegations of conduct in support of its affirmative defenses that would, if proven, prevent opposer from prevailing on its claims), *citing Lincoln Logs Ltd. v. Lincoln Precut Log Homes, Inc.*, 971 F.2d 732, 23 U.S.P.Q.2d 1701 (Fed. Cir. 1992); *McDonnell Douglas Corp. v. National Data Corp.*, 228 USPQ 45, 47 (TTAB 1985) (bald allegations did not provide fair notice of basis of petitioner's claim); *and Cf. Otto International Inc. v. Otto Kern GmbH*, 83 USPQ2d 1861, 1864 (TTAB 2007) (bald allegations did not provide fair notice). Since Clariant's Affirmative Defenses do not meet the standard to provide fair notice to Multisorb as required by Fed. R. Civ. P. 8(b) and TBMP § 311.02(b), these defenses should be stricken.

Because the affirmative defenses cannot be sustained in proceedings based on mere descriptiveness, and because the defenses are frivolous and improperly plead, Clariant's third through sixth Affirmative Defenses should be stricken.

D. Clariant's seventh affirmative defense of unclean hands consists of mere conclusory allegations, lacks the requisite particularity, and should be stricken as insufficient

Clariant's unclean hands defense is frivolous. Petitioner again suspects that Registrant has failed to delete it from a form pleading in a case involving a claim under section 2(d). Registrant fails to plead any specific facts in support of its seventh Affirmative Defense. As noted above, and as TBMP § 300 makes clear, "[t]he elements of a defense should be stated simply, concisely, and directly. However, the pleading should include enough detail to give the plaintiff fair notice of the basis of the defense." Where a defense contains mere conclusory allegations that do not give plaintiff fair notice as to the specific conduct which provides the basis for the defense, the defense will be stricken by the Board. *See Lincoln Logs*, 971 F.2d 732.

Additionally, Registrant's defense of unclean hands is also legally insufficient because a defense based on fraud has a heightened pleading standard requiring the factual basis for such defense be pleaded with particularity. *See* 37 C.F.R. §2.106(b)(1); TBMP 311.02(b) (stating that where fraud is pleaded, the provisions of Fed. R. Civ. P. 9 governing the pleading of that matter should be

followed). Conclusory statements that a petitioner has unclean hands, absent a recitation of the facts reflecting the basis for the alleged inequitable conduct, do not meet the pleading requirements of Fed. R. Civ. P. 9. *See e.g., Cent. Admixture Pharm. Servs. v. Advanced Cardiac Solutions, P.C.*, 482 F.3d 1347, 1356 (Fed. Cir. 2007) (stating that “inequitable conduct, while a broader concept than fraud, must be pled with particularity”).

Since Clariant does not cite to any underlying facts in support of its affirmative defense of unclean hands, the defense does not meet the pleading requirements of Fed. R. Civ. P. 9 and should be stricken as insufficient.

CONCLUSION

For the foregoing reasons, Clariant’s first through eighth Affirmative Defenses should be stricken. In addition, the proceeding should be suspended pending consideration of Petitioner’s motion to strike. As a result thereof, the deadlines for discovery and trial should be reset accordingly.

Dated: Spokane, Washington
December 16, 2013

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing document was sent via email to counsel for Registrant at the email addresses below on the 16th day of December, 2013:

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