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

Proceeding	92058635
Party	Defendant Domaine Carneros, Ltd.
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Submission	Motion to Strike
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Date	06/27/2014
Attachments	Motion to Strike.pdf(62770 bytes )

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

3  
4 Registration No. 3,613,730

5 Mark: LA TERRE PROMISE

6 Class: 33

7 \_\_\_\_\_ )  
8 **DIANA AND CHARLES KARREN,** )

9 Petitioners, )

10 v. )

11 **DOMAINE CARNEROS LTD.,** )

12 Respondent. )

Cancellation No: 92058635

**MOTION TO STRIKE  
AFFIRMATIVE DEFENSES**

13 Respondent hereby moves to strike the Affirmative Defenses in Petitioner's Answer to  
14 the Counterclaim under Federal Rule of Civil Procedure 12 (f). *American Vitamin Products, Inc.*  
15 *v. Dow Brands Inc.*, 22 U.S.P.Q.2d 1313 (TTAB 1992); *S.C. Johnson & Son, Inc. v. GAF Corp.*,  
16 177 U.S.P.Q. 720 (TTAB 1973); *see* TBMP § 506.01.

17 **PLEADING STANDARDS**

18 Federal Rule of Civil Procedure 12(b)(6) permits dismissal for "failure to state a claim  
19 upon which relief can be granted." Dismissal is appropriate where the Complaint or defense  
20 lacks a cognizable legal theory or sufficient facts to support same. *See Balistreri v. Pacifica*  
21 *Police Dep't*, 901 F.2d 696, 699 (9th Cir. 1990). A proper pleading under Rule 8 "does not need  
22 detailed factual allegations" but the "[f]actual allegations must be enough to raise a right to relief  
23 above the speculative level." *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 555 (2007). "[A]

1 plaintiff's obligation to provide the 'grounds' of his 'entitle[ment] to relief' requires more than  
2 labels and conclusions, and a formulaic recitation of the elements of a cause of action will not  
3 do." *Id.* The court must accept as true all "well-pleaded factual allegations." *Ashcroft v. Iqbal*,  
4 556 U.S. 652, 129 S. Ct. 1937, 1950 (2009). However, the court is not "required to accept as true  
5 allegations that are merely conclusory, unwarranted deductions of fact, or unreasonable  
6 inferences." *Sprewell v. Golden State Warriors*, 266 F.3d 979, 988 (9th Cir. 2001); *see also Doe*  
7 *I v. Wal-Mart Stores, Inc.*, 572 F.3d 677, 683 (9th Cir. 2009). "In sum, for a Complaint to  
8 survive a motion to dismiss, the non-conclusory factual content, and reasonable inferences from  
9 that content, must be plausibly suggestive of a claim entitling the plaintiff to relief." *Moss v.*  
10 *U.S. Secret Service*, 572 F.3d 962, 969 (9th Cir. 2009) (citations omitted).

11 The same principles apply to motions to strike affirmative defenses under Rule 12 (f).  
12 *Cal. Dep't of Toxic Substances Control v. Alco Pac., Inc.*, 217 F. Supp. 2d 1028, 1032-33 (C.D.  
13 Cal. 2002); *California v. United States*, 512 F. Supp. 36, 38 (N.D. Cal. 1981). Affirmative  
14 defenses must be supported with factual allegations because bare statements that merely recite  
15 legal conclusions do not provide the opposing party with fair notice of the defense asserted.  
16 *Barnes v. AT&T Pension Benefit Plan-NonBargained Program*, 718 F. Supp. 2d 1167, 1170 (9th  
17 Cir. 2010)(citing *Wyshak v. City Nat'l Bank*, 607 F.2d 824, 827 (9th Cir. 1979)); *see, e.g.*,  
18 *Qarbon.com Inc. v. eHelp Corp.*, 315 F. Supp. 2d 1046, 1049-50 (N.D. Cal. 2004) (striking  
19 defenses that did no more than name the defenses without listing their elements or supporting  
20 facts).

21 The Board has long applied these fundamental principles. As TBMP § 311.02 (b) makes  
22 clear, "[t]he elements of a defense should be stated simply, concisely, and directly. However, the  
23 pleading should include enough detail to give the plaintiff fair notice of the basis of the defense"  
24

1 (footnotes omitted). A defense will be stricken if it consists of a conclusory allegation that does  
2 not give fair notice of the specific conduct which provides the basis for it. *See, e.g., Veles Int'l*  
3 *Inc. v. Ringing Cedars Press LLC*, Consolidated Opp. Nos. 91182303 and 91182304 (TTAB  
4 June 2, 2008) (not precedential) (affirmative defenses of waiver, estoppel and unclean hands  
5 stricken) (*citing Lincoln Logs Ltd. v. Lincoln Precut Log Homes, Inc.*, 971 F.2d 732 (Fed. Cir.  
6 1992) and *Midwest Plastic Fabricators Inc. v. Underwriters Labs. Inc.*, 5 U.S.P.Q.2d 1067  
7 (TTAB 1987)).

### 8 **PETITIONER'S AFFIRMATIVE DEFENSES ARE NOT PLEADED PROPERLY**

9 Petitioner pleads the following Affirmative Defenses: failure to state a claim (#1), lack of  
10 standing (#2), laches (#3) and unclean hands (#3). Each should be stricken.

11 **Failure to state a claim.** This is not an affirmative defense; it is simply a denial of the  
12 elements of the plaintiff's affirmative case. It should therefore be stricken. *See Hornblower &*  
13 *Weeks Inc. v. Hornblower & Weeks Inc.*, 60 U.S.P.Q.2d 1733, 1738 n.7 (TTAB 2001); *see Harjo*  
14 *v. Pro Football Inc.*, 30 U.S.P.Q.2d 1828, 1830 (TTAB 1994). Here the Counterclaim alleges  
15 facts that if proven would entitle Respondent to the relief it seeks. It alleges standing/injury (¶¶  
16 1-3), that the Petitioner's mark has been abandoned due to the failure to control the quality of the  
17 wine sold under it (naked licensing) (¶¶ 5-6, 9, 14-17), that the mark was not in use on the goods  
18 at the time the statements of use were filed and that the registration is therefore void (¶¶ 7-13,  
19 20-25), and that there is no likelihood of confusion in the trade channel in which Respondent  
20 sells wine bearing the registered mark and therefore its registration should be limited under  
21 Section 18 in order to avoid confusion (¶¶ 26-29).

22 **Standing.** This "affirmative defense" should be stricken because it is not an affirmative  
23 defense. It is simply a denial of an element of Respondent's affirmative case. *See Blackhorse, et*  
24

1 *al. v. Pro Football, Inc.*, 98 U.S.P.Q.2d 1633 (TTAB 2011)(subsequent history omitted). For the  
2 sake of good order, however, the “facts” pleaded as the basis for a standing argument (no valid  
3 trademark right) are not germane to the issue of standing. Standing requires only an allegation of  
4 interest and injury, which has been pleaded (Counterclaim ¶¶ 1-3). *See Petróleos Mexicanos v.*  
5 *Intermix S.A.*, 97 U.S.P.Q.2d 1403 (TTAB 2010)(standing where no registration.) Indeed, it is  
6 hard to imagine any set of facts where the owner of a registered mark whose registration is  
7 attacked in a petition for cancellation would not have sufficient interest and injury to challenge  
8 the validity of the Petitioner’s registration in a Counterclaim or to seek a limitation to its  
9 registration under Section 18 in order to avoid confusion.

10 **Laches.** A laches defense requires a party “to establish that there was undue or  
11 unreasonable delay [by Respondent] in asserting its rights, and prejudice to [Petitioner] resulting  
12 from the delay.” *Bridgestone/Firestone Research Inc. v. Automobile Club de l’Ouest de la*  
13 *France*, 245 F.3d 1359, 1361-1362 (Fed. Cir. 2001); *see Lincoln Logs Ltd. v. Lincoln Pre-Cut*  
14 *Log Homes Inc.*, 971 F.2d 732 (Fed. Cir. 1992). There are no facts alleged by which the Board  
15 could determine whether a laches claim is plausible. There are no facts alleged at all.

16 The laches defense is particularly implausible here. Respondent was minding its own  
17 business and selling wine under its registered mark when, out of the blue, Petitioner decided to  
18 ask the Board to cancel the registration. The laches “clock” does not begin to run until the  
19 opposing party “knew or should have known that it had a right of action, yet did not act to assert  
20 or protect its rights.” *Bridgestone/Firestone, supra*, at 1362. Here the Respondent did not have  
21 any reason to believe there was an issue, and thus no injury or interest in the matter, until  
22 recently when Petitioner sought cancellation of its registration. Under these facts, which cannot  
23 be genuinely disputed, a laches claim is implausible.

1           **Unclean Hands.** This defense should be stricken under *Twombly/Ashcroft* because it  
2 fails to set out any facts from which the Board could determine whether it is plausible. It is  
3 simply a conclusory assertion that the defense exists and will bar relief. *See Midwest Plastic*  
4 *Fabricators Inc. v. Underwriters Laboratories Inc.*, 5 U.S.P.Q.2d 1067, 1069 (TTAB 1987); *see*  
5 *also Activision Publ’g, Inc. v. Oberon Media, Inc.*, Opp. No. 91195500, at 3-4 3 (TTAB  
6 September 10, 2010)(unpublished) (dismissing affirmative defense of unclean hands where  
7 applicant failed to allege specific conduct providing basis for defense).

8           The pleading is also legally insufficient because an unclean hands defense sounds in  
9 fraud, and as such it must be pleaded with particularity. *See* 37 C.F.R. §2.106(b)(1); TBMP  
10 311.02(b) (where fraud is pleaded, the provisions of Fed. R. Civ. P. 9 governing the pleading of  
11 that matter should be followed). Unclean hands is an equitable concept that bars relief because  
12 the other party did not act “fairly and without fraud or deceit as to the controversy in issue.”  
13 *Precision Instrument Mfg. Co. v. Auto Maint. Mach. Co.*, 324 U.S. 806, 815 (1945). Conclusory  
14 statements of unclean hands, absent a recitation of the facts reflecting the basis for the alleged  
15 inequitable conduct, do not meet the pleading requirements of Fed. R. Civ. P. 9. *See Cent.*  
16 *Admixture Pharm. Servs. v. Advanced Cardiac Solutions, P.C.*, 482 F.3d 1347, 1356 (Fed. Cir.  
17 2007) (“inequitable conduct, while a broader concept than fraud, must be pled with  
18 particularity.”) Because Respondent does not allege a single fact in support of its defense it does  
19 not satisfy Rule 9 and it must also be dismissed on that basis.

## 20 **CONCLUSION**

21           Petitioner’s Affirmative Defenses are nothing more than conclusory assertions that the  
22 stated defenses apply and will bar relief. There are no facts alleged on which the Board could  
23 determine whether any defense is plausible. They do not give Petitioner any notice – let alone  
24

1 fair notice – of what it allegedly did such that its claim should be barred. Accordingly, the  
2 Affirmative Defenses should be stricken.

3 Respectfully submitted,

4 **LAW OFFICE OF PAUL W. REIDL**

5  
6 By: 

7  
8 Dated: June 27, 2014

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*Attorney for Domaine Carneros Ltd.*

1 **PROOF OF SERVICE**

2 On June 27, 2014, I caused to be served the following document:

3 **MOTION TO STRIKE AFFIRMATIVE DEFENSES**

4 on Opposer by placing a true copy thereof in the United States mail enclosed in an envelope,  
5 postage prepaid, addressed as follows to their counsel of record at his present business address:

6 JAY M. BEHMKE  
7 CARLE MACKIE POWER & ROSS LLP  
8 100 B STREET SUITE 400  
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Executed on June 27, 2014 at Half Moon Bay, California.

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