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

Proceeding	92060895
Party	Defendant Starbuzz Tobacco, Inc.
Correspondence Address	STARBUZZ TOBACCO INC 10871 FORBES AVE GARDEN GROVE, CA 92843 UNITED STATES
Submission	Reply in Support of Motion
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Date	04/13/2015
Attachments	Reply to Opp to MTC and Susp 041315.pdf(1792257 bytes)

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

In the Matter of Registration No. 3,619,407

Mark: BLUE MIST

Registered: May 12, 2009

SIS RESOURCES LTD.,

Petitioner,

v.

STARBUZZ TOBACCO, INC.,

Registrant.

) **CANCELLATION NO: 92060895**

) **REGISTRANT STARBUZZ TOBACCO,**
) **INC.'S REPLY TO OPPOSITION TO**
) **MOTION TO CONSOLIDATE AND**
) **SUSPEND PROCEEDINGS**

) **Petition Filed: February 17, 2015**

) **[RELATED OPPOSITION NO. 91213286]**

INTRODUCTION

Petitioner, SIS Resources, LTD. (“SIS” or “Petitioner”) argues that the pending civil action in the District Court for the Central District of California (the “Civil Action”) between SIS and Registrant, Starbuzz Tobacco, Inc. (“Starbuzz”), does not involve the validity of Starbuzz’s trademark. This is simply not true, since the current dispute is already part of the Civil Action.

SIS further argues that the claims in the petition to cancel Starbuzz’s BLUE MIST trademark (the “Petition”) are not compulsory counterclaims to the opposition that Starbuzz filed against the registration of SIS’ MOCHA MIST mark (the “Opposition”). That position, however, is belied by the Trademark Trial and Appeal Board’s (“Board”) manual of procedure and the United States Patent and Trademark Office’s own rules.

FACTUAL BACKGROUND

On February 4, 2015, Starbuzz initiated the Civil Action against SIS and Nu Mark, LLC (“Nu Mark”) in the District Court. On March 27, 2015, Nu Mark filed a motion to dismiss one of Starbuzz’s claims in the Civil Action. In response, Starbuzz filed an amended complaint that added another claim for declaratory relief (the “Amended Complaint”) involving the same claims presented by SIS in this Petition. *See **Exhibit 1***.

ARGUMENT

I. THE PETITION SHOULD BE SUSPENDED BECAUSE THE SAME FACTS, ISSUES, AND OCCURRENCE ARE BEING ADDRESSED IN THE CIVIL ACTION

Petitioner strenuously argues that the Petition and the Civil Action contain unrelated issues and suspension is not warranted. Petitioner is wrong. Starbuzz’s Amended Complaint specifically incorporates the issues raised in this Petition. *See **Exhibit 1***. Therefore, the Civil Action and Petition will address the same facts and issues, and the same transaction or occurrence. As such, the Civil Action will have a bearing on this case and the Petition should be suspended.

It would also be a waste of the Board’s resources to continue with the Petition while the Civil Action is being litigated. Regardless of what result comes from this Petition, the losing party will have the right to have this case reviewed by a U.S. District Court. *See* TBMP § 903.01. The parties will then have the ability to introduce new facts and evidence and review the questions of fact de novo. *See* TBMP § 906.01. Therefore, assuming *arguendo* that the Board were to make a determination before it is heard by the District Court in the Civil Action, those findings would still be reviewed by the same

court. It would be more efficient for the District Court to handle all of the issues at the same time.

Petitioner's citation to the recent Supreme Court case of *B&B Hardware, Inc. v. Hargis Indus., Inc.*, No. 13-352, 575 U.S. ___, 2015 WL 1291915 (Mar. 24, 2015) does nothing to change the foregoing analysis. In that case, the Board had already made a ruling that there was a likelihood of confusion in an *inter partes* opposition proceeding, and the losing party ***failed to seek judicial review*** of that decision. *Id.* at * 1. The Supreme Court decided that the Board's decision should be given preclusive effect. *Id.* at 25. The current situation is completely different because the Board has never issued any sort of ruling regarding the likelihood of confusion or the merits of the Opposition or this Petition. Since the Opposition is suspended, the court's ruling in the Civil Action will have a preclusive effect.

II. THE FACT THAT SIS HAS NOT YET BEEN SERVED HAS LITTLE IMPACT ON THE FACT THAT THE CIVIL ACTION AND THIS PETITION INVOLVE THE SAME FACTS AND ISSUES

SIS also argues that the issues in this Petition are not properly before the District Court in the Civil Action because it has not yet been served in the Civil Action. This argument is irrelevant because Starbuzz has included the issues in this Petition into the Civil Action. Furthermore, one of the defendants, Nu Mark, has been served with a copy of both the original and amended complaint in the Civil Action.¹ Starbuzz is also in the

¹ SIS' argument regarding service is also disingenuous given that it has been uncooperative in accepting service in the Civil Action, while simultaneously litigating the action through Nu Mark. The same attorneys represent both Nu Mark in the Civil Action, and SIS in the Opposition and this Petition. Though Nu Mark responded to the complaint in the Civil Action, SIS refused to authorize those attorneys to accept service for SIS. Instead, SIS demanded that Starbuzz give it one hundred and fifty (150) days to respond to the complaint as a condition for waiver of service.

process of serving the amended complaint on SIS. Therefore, the issue will be litigated in the Civil Action.

III. THE PETITION SHOULD BE CONSOLIDATED WITH THE OPPOSITION SINCE THE PLAIN LANGUAGE OF THE TBMP AND THE CODE OF FEDERAL REGULATIONS ESTABLISH THAT THE PETITION IS A COMPULSORY COUNTERCLAIM TO THE OPPOSITION

In opposing consolidation of the Opposition and Petition, Petitioner cites to *Nasalok Coating Corp. v. Nylok Corp.*, 522 F.3d 1320, 1328, 86 U.S.P.Q. 2d 1369 (Fed. Cir. 2008). That case, however, is inapplicable to the consolidation issue because it involved a petition to cancel brought after trademark infringement claims were filed with a district court. Rather, the applicable federal rules specify that:

“A defense attacking the validity of any one or more of the registrations pleaded in the opposition shall be a compulsory counterclaim if grounds for such counterclaim exist at the time when the answer is filed. ... If grounds for a counterclaim are learned during the course of the opposition proceeding, the counterclaim shall be pleaded promptly after the grounds therefor are learned.” TBMP § 313.01; 37 C.F.R. § 2.106(b)(2)(i).

Even the Nasalok court noted that:

“The Board's rules of procedure in trademark cases provide that invalidity of a registration pleaded in an opposition or cancellation proceeding is a compulsory counterclaim.”
Nasalok Coating Corp. v. Nylok Corp., *supra*, 522 F.3d at 1325 fn. 3.

Here, the evidence that Petitioner has submitted to the Board shows that it learned of the grounds for the Petition during the course of the Opposition. In particular, Petitioner has submitted printouts showing that it inspected the prosecution history for the BLUE MIST mark on February 11, 2015. See Petition, **Exhibit A**, p. 2. On that date, the Opposition was still pending and had not been suspended. Therefore, the current Petition

could, and should, have been pleaded in the Opposition as a compulsory counterclaim.

Accordingly, this Petition should be consolidated with the Opposition.

IV. STARBUZZ HAS NOT DELAYED THE FILING OF ITS ANSWER AND IS NOT IN DEFAULT

Petitioner also raises an irrelevant and frivolous argument concerning Starbuzz's answer to the Petition. Despite what Petitioner claims, Starbuzz has never tried to delay responding to the Petition and is not in default. In fact, Starbuzz filed a timely motion to dismiss the Petition since there was nothing fraudulent about Starbuzz's representation to the USPTO when it filed the Section 15 declaration. Therefore, Petitioner's argument has no bearing on this motion.

V. PETITIONER'S COMMENTS REGARDING DISCOVERY ARE IRRELEVANT

Petitioner further makes irrelevant comments regarding Starbuzz's discovery responses. Those comments concern the Opposition, which is suspended, and have absolutely no bearing on this motion. Therefore, the comments should be ignored or stricken.

CONCLUSION

Based upon the foregoing, Starbuzz respectfully requests the Honorable Board to consolidate the Cancellation proceeding with the Opposition, and suspend the Cancellation proceeding pending the final determination of the Civil Action.

///

///

Cancellation No. 92060895
In the Matter of Registration No. 3,619,407
Registered on May 12, 2009

Respectfully submitted,
THE PATEL LAW FIRM, P.C.

/natupatel/
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CERTIFICATE OF SERVICE

I certify that a copy of REGISTRANT STARBUZZ TOBACCO, INC.'S REPLY TO OPPOSITION TO MOTION TO CONSOLIDATE AND SUSPEND PROCEEDINGS is being served via United States mail, postage prepaid, on this the 13th day of April 2015, to the following:

Applicant's Attorney/Representative:

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Mark Uy

Exhibit 1

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10 Attorneys for Plaintiff,
11 Starbuzz Tobacco, Inc.

12 **UNITED STATES DISTRICT COURT**
13 **CENTRAL DISTRICT OF CALIFORNIA**

14	STARBUZZ TOBACCO, INC., a	) Case No.: 8:15-cv-00176-JLS (RNB)
15	California corporation,	) Hon. Josephine L. Staton
16)
17	Plaintiff,	) FIRST AMENDED COMPLAINT FOR:
18	vs.)
19		) 1. TRADEMARK INFRINGEMENT
20		) (UNDER 15 U.S.C. §1114);
21	SIS RESOURCES LTD., an Israeli)
22	corporation, NU MARK LLC, a	) 2. FALSE DESIGNATION OF
23	Virginia limited liability company,	) ORIGIN (UNDER 15 U.S.C.
24		) §1125);
25	Defendants.)
26		) 3. COMMON LAW TRADEMARK
27		) INFRINGEMENT AND UNFAIR
28		) COMPETITION; AND
		) 4. DECLARATORY RELIEF
)
		) DEMAND FOR JURY TRIAL
)
)
)
)

1 Plaintiff, Starbuzz Tobacco, Inc. complains and alleges as follows:

2 **PARTIES**

3
4 1. Plaintiff, Starbuzz Tobacco, Inc. (“Starbuzz” or “Plaintiff”), is now,
5 and at all times relevant herein was, a corporation organized under the laws of the
6 State of California, with its principal place of business in the City of Garden
7 Grove, California.
8

9 2. Defendant, SIS Resources LTD. (“SIS Resources”), is now, and at all
10 times relevant herein was, a corporation organized under the laws of Israel, with its
11 principal place of business at 9/2 Nahal Arugot St., Ramat Beit Shemesh, Israel
12 99097. Starbuzz is informed and believes, and on that basis alleges, that SIS
13 Resources is the owner of the infringing MOCHA MIST trademark which it uses
14 and displays in this judicial district.
15
16
17

18 3. Defendant Nu Mark LLC (“Nu Mark”) is now, and at all times
19 relevant herein was, a limited liability company organized under the laws of the
20 State of Virginia, with its principal place of business at 6603 W. Broad Street,
21 Richmond, Virginia 23260. Defendant Nu Mark does business within this judicial
22 district through its website www.greensmoke.com which displays the infringing
23 MOCHA MIST trademark to consumers in this judicial district.
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1 activities were directed towards California, and the effect of those activities would
2 be felt in California.

3
4 9. The Court also has personal jurisdiction over Defendants because
5 Defendants have engaged in business activities in and directed to California, and
6 have committed tortious acts within the State.

7
8 10. The Court also has personal jurisdiction over Defendants because they
9 have purposefully availed themselves of the opportunity to conduct commercial
10 activities in this forum. The Complaint arises out of those commercial activities.

11
12 11. Venue is proper in this district under 28 U.S.C. § 1391 (b) and (c) in
13 that substantial injury occurred and continues to occur in this district, a substantial
14 portion of the events that are the subject of this action took place in this district,
15 and Defendants are doing business within this judicial district and are subject to
16 personal jurisdiction in this district.
17

18
19 **AGENCY**

20
21 12. At all times herein mentioned, each Defendant was the agent, servant,
22 joint venturer, partner, or employee of the other Defendants, successor
23 corporations, successors in interest, or entities and, in doing the things herein
24 alleged, were acting within the purpose and scope of said agency or employment at
25 the time of the incident. All Defendants were acting within the scope and course
26
27
28

1 of that agency and employment and with the knowledge and implied and/or
2 express consent and permission of the other Defendants.

3
4 **INTRODUCTION**

5 13. This case alleges a straightforward yet egregious claim of trademark
6 infringement, and other violations of federal and state law. It is egregious because
7
8 Defendants have intentionally duplicated, adopted, and used trademarks that are
9 identical or substantially similar to Starbuzz’s trademarks in their products with
10 blatant disregard to Starbuzz’s intellectual property rights, in order to unfairly
11 compete with Starbuzz and to trade upon Starbuzz’s goodwill.
12

13 14. As a manufacturer and supplier of premium hookah tobacco, as well
14 as a distributor of hookahs, electronic cigarettes, electronic vaporizers, e-liquids
15 and other products worldwide, Starbuzz has obtained over ninety (90) federally
16 registered trademarks in the United States and has sought to obtain worldwide
17 intellectual property protection in more than thirty-three (33) countries.
18

19 15. Over the past several years, Starbuzz has sold, and continues to sell,
20 tobacco products, electronic cigarettes, e-liquid, and electronic vaporizers bearing
21 one or more of the following trademarks: BLUE MIST and CITRUS MIST.
22 Starbuzz’s aforementioned marks are collectively referred to as the “Starbuzz
23 Marks.”
24
25
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1 16. Starbuzz discovered that Defendants are using trademarks that are
2 identical or substantially similar to the Starbuzz Marks in connection with
3 Defendants' products.
4

5 17. Defendants are not affiliated with Starbuzz in any way, and do not
6 have Starbuzz's permission to use the Starbuzz Marks, or any mark that is
7 confusingly similar to the Starbuzz Marks.
8

9 18. Defendants intentionally adopted and use the confusingly similar
10 trademark MOCHA MIST in connection with electronic cigarettes, cartridges, and
11 vaporizers (the "Infringing Products"), to falsely convey to consumers, vendors,
12 and third parties an association with Starbuzz, and to unfairly trade and benefit
13 from the reputation and goodwill of Starbuzz's business and the Starbuzz Marks.
14

15 19. On February 12, 2013, Defendant SIS Resources filed a trademark
16 application, serial no. 85/846,992 for the MOCHA MIST trademark under Section
17 1(b) of the Lanham Act, 15 U.S.C. § 1051(a), alleging a date of first use of
18 September 19, 2010. The MOCHA MIST trademark is referred to herein as the
19 "Infringing Mark."
20
21

22 20. Defendants are aware that their actions are specifically prohibited and
23 are on notice that Starbuzz has not consented to their actions in any way.
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1 **STARBUZZ'S CONTINUOUS USE OF ITS MARKS**

2 26. Starbuzz manufactures, distributes, imports, and sells tobacco
3 products throughout the United States and internationally. Starbuzz also
4 distributes and sells tobacco alternative products, such as electronic cigarettes, e-
5 liquids, and other related products throughout the United States and internationally.
6 Starbuzz prides itself on its reputation for high-quality products. Starbuzz's
7 continued goal is to develop new and popular tobacco, tobacco alternatives, and
8 other related products while preserving the quality of its products and brand
9 identity.
10
11
12

13 27. Starbuzz sells its products to thousands of customers and clients,
14 including boutique stores, wholesalers, and suppliers. Starbuzz has used, created
15 and marketed the Starbuzz Marks continuously over the years. The Starbuzz
16 Marks have brought Starbuzz enormous success, and Starbuzz is now known for its
17 high quality products.
18
19

20 28. Starbuzz uses the Starbuzz Marks on advertising brochures,
21 advertising leaflets, on the Internet, and on the packaging of its products.
22

23 29. Starbuzz's intellectual property and brand identity have substantial
24 image recognition.
25

26 30. The Starbuzz Marks are important as they serve as easily-recognizable
27 identifiers of the high quality goods and services that Starbuzz offers. There is a
28

1 particularly close association among consumers between Starbuzz, the Starbuzz
2 Marks, and the quality of the products and services offered under the Starbuzz
3 Marks. For consumers, customers, vendors, and clients, the Starbuzz Marks are
4 associated with original, flavorful, and smooth smoking tobacco, tobacco
5 alternatives, and related products of the highest quality at an affordable price.
6
7

8 **DEFENDANT'S WRONGFUL ACTS**

9 Sales of Infringing Products

10 31. Starbuzz is informed and believes, and on that basis alleges, that
11 Defendants have sold and are currently selling, distributing, advertising and
12 promoting the Infringing Products on the website www.greensmoke.com. Plaintiff
13 is informed and believes, and thereon alleges, that Nu Mark distributes SIS
14 Resources' products throughout the United States, including California, through
15 that website. True and correct copies of printouts from various parts of the website
16 www.greensmoke.com are attached hereto as **Exhibit C**.
17
18
19

20 32. Starbuzz is informed and believes, and on that basis alleges, that
21 Defendants have continuously and systematically distributed the Infringing
22 Products throughout California and the United States, misled and confused
23 consumers, and negatively affected the publicity regarding the Starbuzz products.
24
25
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1 33. Starbuzz is informed and believes, and on that basis alleges, that
2 Defendants are using the Infringing Mark to market, promote, advertise and sell
3 the Infringing Products.
4

5 34. Starbuzz is informed and believes, and on that basis alleges, that
6 Defendants knew of Starbuzz's prior use of the Starbuzz Marks by virtue of
7 Starbuzz's trademark registrations and reputation in the tobacco market.
8

9 35. Nonetheless, Defendants adopted the Infringing Mark to market and
10 sell the Infringing Products, to deceive consumers into believing that the Infringing
11 Products are produced and manufactured by Starbuzz, and to trade upon Starbuzz's
12 goodwill.
13

14
15 Defendants' Use of the Infringing Mark is Likely to Cause Consumer Confusion

16 36. Defendants' distribution and sale of the Infringing Products bearing
17 the Infringing Mark is likely to cause consumer confusion.
18

19 37. To date, Defendants are continuing with their infringing activity.
20

21 38. Starbuzz is informed and believes, and on that basis alleges, that
22 Defendants began using the Infringing Mark after Starbuzz began using the
23 Starbuzz Marks for various products. Therefore, Starbuzz's rights in the Starbuzz
24 Marks have priority over Defendants' rights in the Infringing Mark.
25

26 39. Starbuzz is informed and believes, and on that basis alleges, that
27 Defendants knew of Starbuzz's prior use of the Starbuzz Marks. Nonetheless,
28

1 Defendants adopted and/or used the Infringing Mark to advertise their business and
2 products.

3
4 40. Starbuzz is informed and believes, and on that basis alleges, that given
5 the similar or related nature of Starbuzz's products and the Infringing Products,
6 and the similarity between the Infringing Mark and the Starbuzz Marks, consumers
7
8 are likely to be confused as to the source of Starbuzz's products and Defendants'
9 products.

10
11 41. Starbuzz is further informed and believes, and on that basis alleges,
12 that Defendants intentionally, and in bad faith, adopted and used the Infringing
13 Mark to trade upon the fame and goodwill associated with the Starbuzz Marks, to
14 deceive consumers, vendors and third parties, to attract new business in
15 competition to Starbuzz, and to derive an economic benefit therefrom.

16
17
18 42. Defendants knowingly used and continue to use the Infringing Mark
19 without Starbuzz's consent or authorization.

20
21 43. The products that Defendants offer under the Infringing Mark are in
22 the same category of products which Starbuzz offers under the Starbuzz Marks.
23 Therefore, Defendants' use of the Infringing Mark is likely to cause consumer
24 confusion.

25
26 44. Starbuzz and Defendants sell their products online. Starbuzz and
27 Defendants thus have convergent marketing channels.
28

1 45. Starbuzz is further informed and believes, and on that basis alleges,
2 that Starbuzz and Defendants have convergent marketing channels since they sell
3 and market products within the same geographic area.
4

5 46. Defendants' use of convergent marketing channels increases the
6 likelihood of consumer confusion.
7

8 47. Defendants' continued use of the Infringing Mark is thus likely to lead
9 consumers, retailers, wholesalers, and vendors to mistakenly conclude that
10 Defendants' products are affiliated, connected, or associated with Starbuzz.
11 Consumers are likely to be misled and confused as to the true source, sponsorship,
12 or affiliation of Defendants' products.
13
14

15 48. Starbuzz never consented, either orally or in writing, to allow
16 Defendants to use trademarks identical or similar to the Starbuzz Marks for any
17 reason, including the marketing and sale of Infringing Products.
18

19 49. Defendants knowingly used and continue to use the Infringing Mark
20 without Starbuzz's consent or authorization.
21

22 **FIRST CLAIM FOR RELIEF**
23 **[Trademark Infringement Under Lanham Act 15 U.S.C. §1114]**
24 **(Against All Defendants)**

25 50. Starbuzz re-alleges and incorporates by this reference paragraphs 1
26 through 49, inclusive, of this Complaint as if fully set forth herein.
27
28

1 51. Defendants' use of the Infringing Mark to promote, market, or sell
2 Infringing Products constitutes trademark infringement pursuant to 15 U.S.C.
3 §1114.
4

5 52. Defendants have promoted, sold, and marketed, and continue to
6 promote, sell, and market, Infringing Products using the Infringing Mark, which
7
8 are identical or confusingly similar to the Starbuzz Marks.

9 53. Starbuzz is informed and believes, and on that basis alleges, that its
10 use of the Starbuzz Marks in commerce predates Defendants' use of the Infringing
11 Mark in commerce.
12

13 54. The Starbuzz Marks are highly distinctive, arbitrary and/or fanciful,
14 and are entitled to strong trademark protection.
15

16 55. Defendants continue to promote, sell and market the Infringing
17 Products under the Infringing Mark, in direct competition with Starbuzz's
18 products, which Starbuzz promotes, sells, and markets under the Starbuzz Marks.
19 Defendants therefore use the Infringing Mark on the same, related, or
20 complementary category of goods as Starbuzz.
21

22 56. Defendants' Infringing Mark is so similar in appearance,
23
24 pronunciation, meaning, and commercial impression to the Starbuzz Marks that
25 consumers are likely to be confused as to the source of the parties' products.
26
27
28

1 57. Starbuzz is informed and believes, and on that basis alleges, that
2 Defendants market and sell their products throughout the United States through
3 various channels, including, but not limited to, the internet and retail stores and
4 shops. These are the same channels through which Starbuzz markets and sells its
5 goods. These are the same channels through which Starbuzz markets and sells its
6 goods.

7
8 58. Starbuzz is informed and believes, and on that basis alleges, that
9 Defendants intentionally and willfully adopted the Infringing Mark in an effort to
10 deceive or cause confusion with the consuming public.

11
12 59. Defendants' attempts to cause confusion, or to cause mistake, or to
13 deceive further indicate an intentional and willful infringement upon the Starbuzz
14 Marks.

15
16 60. Defendants' continued use of the Infringing Mark also demonstrates
17 Defendants' intentional and willful infringement of the Starbuzz Marks.

18
19 61. Defendants' intentional, continuing, and willful infringement of the
20 Starbuzz Marks has caused and will continue to cause damage to Starbuzz, and is
21 causing irreparable harm to Starbuzz for which there is no adequate remedy at law.

22
23 62. Defendants are directly, contributorily, and/or vicariously liable for
24 these actions.
25
26
27
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1 68. Starbuzz is informed and believes, and on that basis alleges, that
2 Defendants' aforesaid acts were done with knowledge of Starbuzz's trademarks,
3 and the knowledge that use of such words, terms, names, symbols, or devices, or a
4 combination thereof, was misleading.
5

6 69. Defendants' intentional and willful infringement of Starbuzz's
7 trademarks has caused and will continue to cause damage to Starbuzz and is
8 causing irreparable harm to Starbuzz for which there is no adequate remedy at law.
9
10

11 70. Starbuzz was damaged by these acts in an amount to be proven at
12 trial. Defendants' actions have caused and will continue to cause irreparable harm
13 to Starbuzz for which there is no adequate remedy at law. Thus, Starbuzz is also
14 entitled to injunctive and equitable relief against Defendants under the Lanham
15 Act.
16

17 71. Defendants are directly, contributorily, and/ or vicariously liable for
18 these actions.
19

20
21 **THIRD CLAIM FOR RELIEF**
22 **[Common Law Trademark Infringement and Unfair Competition]**
23 **(Against All Defendants)**

24 72. Starbuzz re-alleges and incorporates by this reference paragraphs 1
25 through 71, inclusive, of this Complaint as if fully set forth herein.

26 73. Starbuzz is informed and believes, and on that basis alleges, that
27 Defendants' aforesaid acts constitute actionable wrongs under the common law in
28

1 that Defendants' use of the Infringing Mark constitutes an infringement and
2 violation of Starbuzz's rights in its trademarks, and creates a likelihood that
3 Starbuzz's customers, potential customers, and the public generally will be
4 confused or misled as to the source of goods and services because they are likely to
5 believe that Defendants' products are identical to or affiliated with that of
6
7
8 Starbuzz.

9 74. By reason of the foregoing unlawful acts, Defendants have caused,
10 and continue to cause, substantial and irreparable damage and injury to Starbuzz
11 and to the public. Defendants have benefited from such unlawful conduct and will
12 continue to carry out such unlawful conduct and to be unjustly enriched thereby
13 unless enjoined by this Court.
14
15

16 75. As a proximate and direct result of Defendants' acts as herein alleged,
17 Starbuzz has sustained damages in an amount to be proven at trial.
18

19 76. Defendants are directly, contributorily and/or vicariously liable for
20 these actions.
21

22 **FOURTH CLAIM FOR RELIEF**
23 **[Declaratory Relief]**
24 **(Against Defendant SIS Resources LTD.)**

25 77. Starbuzz re-alleges and incorporates by this reference paragraphs 1
26 through 76, inclusive, of this Complaint as if fully set forth herein.
27
28

1 78. One of Starbuzz’s registrations for BLUE MIST (Reg. No. 3,619,407)
2 includes tobacco products, but not electronic cigarettes and accessories, in the
3 description of goods (the “407 Registration”).
4

5 79. On March 23, 2014, Starbuzz filed a declaration for the ‘407
6 Registration (the “Declaration”), stating that:
7

8 “The mark is in use in commerce on or in connection with the
9 goods/services identified above, as evidenced by the attached specimen(s)
10 showing the mark as used in commerce. The mark has been in continuous
11 use in commerce for five consecutive years after the date of registration, or
12 the date of publication under 15 U.S.C. Section 1062(c), and is still in use in
13 commerce on or in connection with all goods/services listed in the existing
14 registration. There has been no final decision adverse to the owner’s claim
15 of ownership of such mark for such goods/services, or to the owner’s right to
16 register the same or to keep the same on the register; and there is no
17 proceeding involving said rights pending and not disposed of either in the
18 United States Patent and Trademark Office or in a court.”
19

20 80. On February 17, 2015, Defendant SIS Resources filed a petition to
21 cancel the ‘407 Registration, on the grounds that Starbuzz committed fraud when
22 filing its Declaration.
23

24 81. In particular, SIS Resources alleged that at the time Starbuzz filed the
25 declaration, there was an ongoing action between Starbuzz and LOEC, Inc.
26 (“LOEC”), wherein LOEC had filed counterclaims for invalidation of Starbuzz’s
27 trademark applications.
28

 82. Despite SIS Resources’ allegations, Starbuzz’s statements in the
Declaration to the USPTO were not false. The dispute between Starbuzz and

1 LOEC concerned Starbuzz's use of BLUE MIST for electronic cigarettes and
2 accessories, not tobacco products. In addition, LOEC did not seek cancellation of
3 the '407 Registration. Therefore, the action between Starbuzz and LOEC was not
4 a proceeding involving Starbuzz's ownership of the BLUE MIST trademark for
5 tobacco products, its rights to register the BLUE MIST trademark for tobacco
6 products, or to keep the '407 Registration on the USPTO's register.
7
8

9 83. Furthermore, there was no intent to deceive the USPTO. Starbuzz's
10 registration would have remained on the register even without the Section 15
11 portion of the Declaration.
12

13 84. Based upon SIS Resources' filing of a petition to cancel the BLUE
14 MIST trademark, an actual controversy has arisen and now exists between Plaintiff
15 and Defendant SIS Resources concerning Starbuzz's right to own and maintain the
16 '407 Registration. This controversy is of sufficient immediacy to warrant a
17 declaratory judgment.
18
19

20 85. A judicial declaration is necessary and appropriate at this time in
21 order that Plaintiff and Defendant SIS Resources may ascertain their rights.
22

23 86. Accordingly, Plaintiff desires a judicial determination of its rights and
24 duties, and a judicial declaration that Starbuzz did not commit fraud upon the
25 USPTO when filing its section 8 and 15 declaration to renew the trademark and
26 Starbuzz's trademark registration for BLUE MIST (Reg. No. 3,619,407) is valid.
27
28

1 **PRAYER FOR RELIEF**

2 WHEREFORE, Starbuzz respectfully prays for judgment against Defendants
3 as follows:
4

5 **ON THE FIRST AND SECOND CLAIMS**

6 1. An Order finding that Defendants have infringed Starbuzz's
7 intellectual property rights;
8

9 2. An Order requiring Defendants to account for and disgorge any and
10 all profits received by the use of Starbuzz's intellectual property pursuant to 15
11 U.S.C. §1117(a)(1);
12

13 3. An award of the attorneys' fees and costs of this action, in an amount
14 to be determined at trial, pursuant to 15 U.S.C. §1117(a)(3) and other applicable
15 federal and state law;
16

17 4. An Order directing the recall from the marketplace and destruction of
18 unauthorized materials bearing Starbuzz's trademarks, or any confusingly similar
19 marks, including, but not limited to, the marks BLUE MIST, CITRUS MIST, and
20 MOCHA MIST in any manner, for purposes of advertising or selling, or soliciting
21 purchases of products or services, or products sold in the course of providing such
22 services, or any related activities, pursuant to 15 U.S.C. §1118;
23
24

25 5. A preliminary and permanent injunction, pursuant to 15 U.S.C. §1116,
26 enjoining and prohibiting Defendants and any of their officers, directors,
27
28

1 employees, agents, subsidiaries, distributors, dealers, and all persons in active
2 concert or participation with any of them from:

3
4 A. Using Starbuzz's trademarks, or any confusingly similar marks,
5 including, but not limited to, the marks BLUE MIST, CITRUS MIST, and
6 MOCHA MIST, in any manner, on or in products, merchandise, or goods, or for
7
8 purposes of advertising, selling, or soliciting purchases of, products or
9 merchandise;

10 B. Infringing on Starbuzz's trademarks;

11 C. Assisting, aiding, or abetting any other person or business entity in
12 engaging in or performing any of the activities referred to in subparagraphs (A)
13 and (B) above;

14
15 6. An Order requiring Defendants and their agents, servants, and
16 employees and all persons acting in concert with or for them to file with this Court
17 and serve on Starbuzz, within thirty (30) days after service of an injunction, a
18 report in writing, under oath, setting forth in detail the manner and form in which
19 Defendants have complied with the applicable injunction, pursuant to 15 U.S.C.
20 §1116;
21

22 7. An Order requiring Defendants to withdraw and abandon their
23 trademark application, serial no. 85/846,992, for the infringing MOCHA MIST
24 Trademark or cancelling Defendant's infringing MOCHA MIST Trademark
25
26
27
28

1 pursuant to Section 37 of the Lanham Act, 15 U.S.C. § 1119, if it proceeds to
2 registration;

3
4 8. Pre-judgment and post-judgment interest on any amounts awarded at
5 the maximum legal rate as permitted by law and equity; and

6
7 9. Any other or further relief that the Court deems appropriate, proper,
8 and just.

9 **ON THE THIRD CLAIM**

10
11 1. An Order finding that Defendant has infringed Starbuzz's intellectual
12 property rights and unfairly competed with Starbuzz;

13
14 2. Judgment for Starbuzz and against Defendant for actual, special, and
15 consequential damages, in an amount to be proven at trial and for costs incurred in
16 the litigation;

17
18 3. An Order requiring Defendant to account for and disgorge all gains,
19 profits, and advantages from the violations of California State, and common law;

20
21 4. A preliminary and permanent injunction, enjoining and prohibiting
22 Defendant and any of his officers, directors, employees, agents, subsidiaries,
23 distributors, dealers, and all persons in active concert or participation with any of
24 them from using the mark BLUE MIST, CITRUS MIST, and MOCHA MIST to
25 advertise, solicit business, or otherwise compete with Starbuzz in California.
26
27
28

1 5. Pre-judgment interest on any amounts awarded at the maximum legal
2 rate as permitted by law and equity; and

3
4 6. Any other or further relief that the Court deems appropriate, proper,
5 and just.

6 **ON THE FOURTH CLAIM**
7

8 1. An order declaring that Plaintiff did not commit fraud upon the
9 USPTO when filing its Section 8 and 15 declaration for the BLUE MIST
10 trademark registration (Reg. No. 3,619,407) and that the registration is valid.
11

12 2. An order directing Defendant SIS Resources to dismiss the Petition to
13 Cancel with prejudice.
14

15 3. Such additional and further relief as may follow from the entry of a
16 declaratory judgment; and
17

18 4. Any other and further relief as the Court deems appropriate, proper
19 and just.
20

21 DATED: April 10, 2015

Respectfully Submitted,
THE PATEL LAW FIRM, P.C.



24 Natu J. Patel,
25 Jason Chuan,
26 Daniel H. Ngai,
27 Attorneys for Plaintiff
28 Starbuzz Tobacco, Inc.

DEMAND FOR TRIAL BY JURY

1
2 Plaintiff Starbuzz Tobacco, Inc. hereby demands a trial by jury on all
3 issues raised in the Complaint.
4

5 DATED: April 10, 2015

6 Respectfully Submitted,
7 **THE PATEL LAW FIRM, P.C.**

8 

9 Natu J. Patel,
10 Jason Chuan,
11 Daniel H. Ngai,
12 Attorneys for Plaintiff
13 Starbuzz Tobacco, Inc.
14
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Exhibit A

Int. Cl.: 34

Prior U.S. Cls.: 2, 8, 9 and 17

United States Patent and Trademark Office

Reg. No. 3,619,407

Registered May 12, 2009

**TRADEMARK
PRINCIPAL REGISTER**

Blue Mist

STARBUZZ TOBACCO, INC. (CALIFORNIA COR-
PORATION)
UNIT #A
1889 W. COMMONWEALTH STREET
FULLERTON, CA 92833

THE MARK CONSISTS OF STANDARD CHAR-
ACTERS WITHOUT CLAIM TO ANY PARTICULAR
FONT, STYLE, SIZE, OR COLOR.

FOR: PIPE TOBACCO, TOBACCO, SMOKING
TOBACCO, FLAVORED TOBACCO, MOLASSES TO-
BACCO, IN CLASS 34 (U.S. CLS. 2, 8, 9 AND 17).

SER. NO. 77-619,104, FILED 11-20-2008.

FIRST USE 12-1-2006; IN COMMERCE 12-1-2006.

REGINA DRUMMOND, EXAMINING ATTORNEY

Exhibit B

United States of America

United States Patent and Trademark Office

Citrus Mist

Reg. No. 3,695,500 STARBUZZ TOBACCO, INC. (CALIFORNIA CORPORATION)
Registered Oct. 13, 2009 2116 W. LINCOLN AVENUE
ANAHEIM, CA 92801

Int. Cl.: 34 FOR: PIPE TOBACCO; MOLASSES TOBACCO; TOBACCO; SMOKING TOBACCO;
FLAVORED TOBACCO; HERBAL MOLASSES HERBS FOR SMOKING, TOBACCO AND
TOBACCO SUBSTITUTES, IN CLASS 34 (U.S. CLS. 2, 8, 9 AND 17).

TRADEMARK
PRINCIPAL REGISTER FIRST USE 3-4-2008; IN COMMERCE 3-4-2008.

THE MARK CONSISTS OF STANDARD CHARACTERS WITHOUT CLAIM TO ANY PARTICULAR FONT, STYLE, SIZE, OR COLOR.

OWNER OF U.S. REG. NO. 3,619,407.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "CITRUS", APART FROM THE MARK AS SHOWN.

SER. NO. 77-699,076, FILED 3-25-2009.

DAVID YONTEF, EXAMINING ATTORNEY



David J. Kyffers

Director of the United States Patent and Trademark Office

Exhibit C

Flavored Cartridges



FLAVORMAX™ CARTRIDGES

Discover our FlavorMax Cartridges.™ Made with patented technology, these e-cig cartridges contain two main parts: a heating element and e-liquid. The heating element (aka "atomizer") vaporizes the liquid into thick, realistic vapor, which contains nicotine and flavoring.

- ✓ Variety of 7 Flavors
- ✓ Choice of 5 Nicotine Levels
- ✓ Unbelievable Vapor Volume
- ✓ Flavor Shield™ Technology
- ✓ Smooth, Easy Draw
- ✓ Triple-Sealed for Freshness

(<http://www.greener.com>)
/e-cig-

<p>RED LABEL TOBACCO™</p>  <p>Classic: Smooth and Mild</p>	<p>ABSOLUTE TOBACCO</p>  <p>Full-Bodied: Woody and Aromatic</p>	<p>TOBACCO GOLD™</p>  <p>Luxurious: Rich and Sweet</p>
<p>MENTHOL ICE™</p>  <p>Cool: A Refreshing Taste</p>	<p>MOCHA MIST™</p>  <p>Cultured: A Sophisticated Coffee Blend</p>	<p>SMOOTH CREAM™</p>  <p>Refined: A Gourmet and Creamy Blend</p>
<p>MOUNTAIN CLOVE™</p>  <p>Exotic: A Warm and Spicy Clove Blend</p>	<p>VARIETY PACK</p>  <p>Not Sure? Get A Variety Pack!</p>	

Nicotine Levels

2.4%
NICOTINE

1.8%
NICOTINE

1.2%
NICOTINE

0.6%
NICOTINE

0%
NICOTINE

(<http://www.greensmoke.com>)
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cartridges/)

Not all flavors are available in the state of California. If you live outside of California and are not able to order those flavors, please call our customer service and they'll be happy to assist you.

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