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

Proceeding	91158375
Party	Plaintiff EXXON MOBIL CORPORATION
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Submission	Motion to Strike Applicant's First and Sixth Affirmative Defenses - Rule 12(f)
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EXXON MOBIL CORPORATION,	§	
	§	
Opposer/Counterclaim	§	
Registrant,	§	
	§	
v.	§	Opposition No. 91158375
	§	
IMCLONE SYSTEMS INCORPORATED,	§	
	§	
Applicant/Counterclaim	§	
Petitioner.	§	
	§	

**OPPOSER’S MOTION TO STRIKE APPLICANT’S FIRST AND SIXTH
AFFIRMATIVE DEFENSES**

Pursuant to Fed. R. Civ. P. 12(f) and TBMP § 506.01, Exxon Mobil Corporation (“Opposer”) moves the Board to strike the First and Sixth Affirmative Defenses in the Answer filed by ImClone Systems Incorporated (“Applicant”). In these affirmative defenses, Applicant asserts that Opposer failed to state a claim upon which relief can be granted and that Applicant’s trademark uses the design of an antibody to describe the goods sold under the mark. Opposer requests that these two affirmative defenses be stricken from Applicant’s pleadings on the basis that they are insufficient defenses as shown by the pleadings.

1. Applicant’s Failure to State a Claim Affirmative Defense is Unfounded.

Pursuant to Fed.R.Civ.P. 12(f), the Board may order stricken from a pleading any insufficient defense. *See* Trademark Trial and Appeal Board Manual of Procedure (“TBMP”) §506.01. The insufficiency of Applicant’s failure to state a claim defense is clear based on the pleadings and has no bearing on the issues in this proceeding as it does not add to or amplify any of the Applicant’s denials. Applicant has not moved the Board for dismissal on its failure to

state a claim defense, but instead has proceeded with discovery in this case. Proceeding in a “business as usual” manner defeats the point of relief based on an Opposer’s alleged failure to state a claim. As is clear from the facts, law, and Applicant’s behavior in this case, Opposer has indeed stated a valid claim for relief.

When deciding a motion to dismiss for failure to state a claim, courts will accept the plaintiff’s factual allegations as true, *Albright v. Oliver*, 510 U.S. 266, 268 (1994), and will not dismiss a complaint for failure to state a claim unless it appears beyond doubt that the plaintiff can prove no set of facts in support of its claim which would entitle it to relief. *Conley v. Gibson*, 355 U.S. 41, 45-46 (1957). Section 13 of the Lanham Act explicitly grants the right to file an opposition to any person who believes he would be damaged by registration of a mark, including damage through dilution. 15 U.S.C. § 1063(a). Here, Opposer has alleged that it is the owner of valid and subsisting trademarks that will be both confused with, and diluted by, Applicant’s mark if registration is granted. This clearly states a claim that, if proved, would entitle Opposer to the relief it is seeking in this proceeding. 15 U.S.C. §§ 1052(d) and (f), paragraph 2; *S.C. Johnson & Son, Inc. v. GAF Corp.*, 177 U.S.P.Q. 720 (TTAB 1973) (granting Opposer’s motion to strike applicant’s affirmative defense of failure to state a claim where Opposer alleged that the mark “Bright Future” resembled Opposer’s mark “Future” and would cause confusion with it).

Furthermore, Opposer has not simply put forth conclusory allegations without factual predicates. *Compare Northern Trust Co. v. Peters*, 69 F. 3d 123, 129 (7th Cir. 1995) (conclusory statements of law and unwarranted inferences are insufficient to defeat 12(b)(6) motion). Opposer’s Notice of Opposition sets out the bases for its claims that Applicant’s mark will create a likelihood of confusion with Opposer’s marks and dilute the fame of those marks. Simply put,

Opposer has pled the necessary elements to bar registration based on likelihood of confusion with and dilution of Opposer's marks, and registration of Applicant's mark would cause damage to Opposer.

Applicant has not identified any justification for its assertion that Opposer has failed to state a claim upon which relief can be granted and has proceeded with discovery in this case. Unlike a situation where a statute of limitations defense or claim of immunity may be apparent from the pleadings, here the pleadings make clear that a viable claim has been pled. Applicant simply denies the truth of Opposer's contentions. Hence, a factual review is necessary and because Applicant has not set forth any details in support of its failure to state a claim defense, it does not add in any way to the denials, counterclaims, or other affirmative defenses contained in Applicant's Answer. *Compare Ohio State University v. Ohio University*, 51 U.S.P.Q. 2d 1289, 1293-95 (TTAB 1999); *Order of Sons of Italy in America v. Profumi Fratelli Nostra AG*, 36 U.S.P.Q. 2d 1221, 1223 (TTAB 1995) (defense not stricken where it amplified applicant's denials of opposer's claims). Courts sometimes view a 12(b)(6) motion as a threshold test to determine whether a plaintiff is entitled to advance to the discovery stage of litigation. *DM Research v. College of American Pathologists*, 170 F.3d 53, 55-56 (1st Cir. 1999) (stating, that a plaintiff must "allege a factual predicate concrete enough to warrant further proceedings"). Here, however, in addition to the sufficiency of Opposer's pleadings, discovery requests have already been served by both parties, and Applicant has noticed a deposition of Opposer under Fed.R.Civ.P 30(b)(6).

In short, the adequacy of Opposer's Notice of Opposition and the Applicant's own conduct indicate that Opposer has stated a claim upon which relief can be granted. Hence, to narrow the issues in this case and to observe the purpose of the TBMP and the Federal Rules of

Civil Procedure, the Board should strike Applicant's First Affirmative Defense from Applicant's pleadings.

2. Applicant's Affirmative Defense of Fair Use is Insufficient Based on the Pleadings.

Opposer also moves the Board to strike Applicant's sixth affirmative defense entitled "Lack of Distinctiveness." In this affirmative defense, Applicant asserts that it "uses in its trademark the design of an antibody, which is descriptive of and used fairly in good faith only to describe the goods to be sold under the applied-for trademark, which are identified in the application as a 'pharmaceutical preparation, namely monoclonal antibody for the treatment of cancer.'" Applicant's Ans. at 5.

Applicant appears to be attempting to assert a defense of descriptive fair use. Section 33(b)(4) of the Lanham Act, 15 U.S.C. § 1115(b)(4), identifies fair use as a defense to an infringement claim, not a defense in opposition proceedings. Section 2(d), which covers the grounds for refusing registration, does not contain any "fair use" exception. 15 U.S.C. §1052(d).

As stated in Section 33(b)(4), a party's use of a descriptive term or device *other than as a mark* is not an act of infringement if it is used fairly and in good faith only to describe the party's goods or services. Applicant can not take advantage of this defense, however, as it has sworn to its intent to use the contested mark *as a trademark*. Applicant has not disclaimed the design portion of the mark under 15 U.S.C. §1056(a). In fact, if Applicant's fair use affirmative defense were to be ultimately found valid, it would act as a bar to registration of the mark. 15 U.S.C. §1052(e)(1). Even if the Board were to assume that all of Applicant's assertions regarding fair use were true, the inescapable fact remains that fair use is merely a defense to an infringement claim; it has no applicability in an Opposition.

Courts have held that a descriptive fair use defense is not available to a party who uses a term as a trademark. *Lindy Pen Co. v. Bic Pen Corp.*, 725 F.2d 1240, 1248 (9th Cir. 1984)

(reversing district court's finding that fair use defense applied where mark was used as a trademark); see *Kraft, Inc. v. Country Club Food Indus., Inc.*, 230 U.S.P.Q. 549, 551 (TTAB 1986) (rejecting fair use defense in a cancellation proceeding and stating, "Registrant is entitled to inform prospective purchasers [about the characteristics of its product] but cannot do so by using the [senior user's mark] as part of a trademark that is likely to cause confusion with a mark previously used and registered by someone else."); *Tree Tavern Prods., Inc. v. ConAgra, Inc.*, 640 F. Supp. 1263, 1268-69 (D. Del. 1986).

Section 45 of the Lanham Act, 15 U.S.C. § 1127 defines a trademark as

any word, name, symbol, or device, or any combination thereof ... which a person has a bona fide intention to use in commerce and applies to register on the principal register established by this Act, to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods[.]

It is clear that both Applicant and the Examining Attorney viewed the entire stylized phrase, including the alleged "antibody design," as a trademark and understood that Applicant would use it as such. By the very act of seeking registration for the mark ERBITUX CETUXIMAB & Design, it is clear that Applicant intends to use the entire combination as a trademark. As stated by the CCPA, "[t]he Trademark Act is not an act to register words, but to register trademarks." *In re Standard Oil Co.*, 275 F.2d 945, 947 (C.C.P.A. 1960). Applicant did not disclaim any portion of the mark in its application, but instead claims that the entire combination, including the "antibody design," functions as a trademark. There is no indication of any office action regarding the descriptive nature of the alleged "antibody design" portion of the ERBITUX CETUXIMAB & Design mark. Applicant has always treated the entire stylized combination of words and design as a trademark, the Examining Attorney viewed the entire

combination as a trademark, and the Board should do the same and find that such use precludes a fair use defense.

Even if the Board were to accept Applicant's assertions regarding the reasons for using the antibody design in its ERBITUX CETUXIMAB & Design mark, it does not have any bearing on these proceedings. Under Section 2(d) of the Lanham Act, 15 U.S.C. § 1052(d), a mark shall not be registered on the principal register if it so resembles a mark previously registered that it is likely to cause confusion. "The notion of fair use is not related to a determination of the likelihood of confusion between two marks, however, but rather to use of a term other than as a trademark." *Kraft, Inc. v. Country Club Food Indus., Inc.*, 230 U.S.P.Q. 549, 551 (TTAB 1986) (rejecting registrant's fair use defense in a cancellation proceeding). Section 2(d) of the Act simply does not contain any fair use defense. While the fair use defense exists at common law and is a defense to an infringement claim under the Lanham Act, this proceeding revolves around the registration provisions of the Act and its accompanying rules and procedures. A fair use defense in an opposition proceeding is antithetical to the registration framework.

Therefore, the fair use defense has no place in an Opposition where the primary issue is whether registration of the Opposed mark is likely to cause confusion with or dilution of a senior registered mark. In order to narrow the issues in this case for trial and because the fair use defense is insufficient based on the pleadings, the Board should also strike that portion of Applicant's Answer.

CONCLUSION

Because Opposer has properly pled sufficient grounds for refusal to register Applicant's mark, and because Applicant's purported "fair use" defense is not applicable in this Opposition proceeding, the Board should strike Applicant's First and Sixth Affirmative Defenses.

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Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the OPPOSER'S MOTION TO STRIKE APPLICANT'S FIRST AND SIXTH AFFIRMATIVE DEFENSES has been served via First Class Mail, postage prepaid to counsel for Applicant at the address below, on February 12, 2004:

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