

UNITED STATES PATENT AND TRADEMARK  
OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451  
General Contact Number: 571-272-8500

DUNN

Mailed: October 27, 2017

Opposition No. 91226340

*American Council on Exercise*

*v.*

*William John Martin*

**Elizabeth A. Dunn, Attorney (571-272-4267):**

This case comes up on Opposer's motion, filed July 2, 2017, to amend the notice of opposition to amend its allegations regarding its pleaded registrations and common law rights, and to add a dilution claim. The motion has been fully briefed.

**LEGAL REPRESENTATION IS STRONGLY ENCOURAGED**

Before turning to the merits of the motion, Applicant is encouraged to seek legal representation to defend his application. While U.S. Patent and Trademark Office Rule 11.14 permits any person to represent herself, it is generally advisable for a person who is not acquainted with the technicalities of the procedural and substantive law involved in inter partes proceedings before the Board to secure the services of an attorney who is familiar with such matters. The Patent and Trademark Office cannot aid in the selection of an attorney.

Applicant is advised that an inter partes proceeding before the Board is similar to a civil action in a Federal district court. There are pleadings, a wide range of possible motions; discovery (a party's use of discovery depositions, interrogatories, requests for production of documents and things, and requests for admission to ascertain the facts underlying its adversary's case), a trial, and briefs, followed by a decision on the case. The Board does not preside at the taking of testimony. Rather, all testimony is taken out of the presence of the Board during the assigned testimony, or trial, periods, and the written transcripts thereof, together with any exhibits thereto, are then filed with the Board. No paper, document, or exhibit will be considered as evidence in the case unless it has been introduced in evidence in accordance with the applicable rules.

Strict compliance with the Trademark Rules of Practice and, where applicable, the Federal Rules of Civil Procedure, is expected of all parties before the Board, whether or not they are represented by counsel. *McDermott v. San Francisco Women's Motorcycle Contingent*, 81 USPQ2d 1212, 1212 (TTAB 2006). Applicant is encouraged to consult the Trademark Rules of Practice and the Trademark Trial and Appeal Board Manual of Procedure (TBMP)(3rd ed. 2011), both available at the Board's webpage at [www.uspto.gov](http://www.uspto.gov). Applicant also is encouraged to carefully read the Board's orders in the prior opposition between these parties. The failure to become knowledgeable about the relevant legal rules has had, and will continue to have, an adverse impact on Applicant's ability to succeed in opposing motions or articulating a viable position as to the merits of the case.

MOTION TO AMEND THE PLEADINGS IS GRANTED

To recap facts relevant to the motion, as discussed during the April 28, 2017 discovery conference which took place with Board participation at Applicant's request, the notice of opposition pleads the legally sufficient claims that (i) Applicant lacks a bona fide intent to use the mark ACE PATHWAY for "bottled water; drinking water"<sup>1</sup>, and (ii) that there is a likelihood of confusion with Opposer's six pleaded registrations including the term ACE and ACE AMERICAN COUNCIL ON EXERCISE which cover a variety of goods and services, generally in the area of health and fitness. The Board noted that one of the pleaded registrations would shortly be cancelled and thus was entitled to no consideration, and that the notice of opposition lists dilution as a ground for opposition, but the claim was legally deficient for failure to allege that Opposer's mark became famous before the filing date of the opposed Sec. 1(b) application. The Board also noted that, notwithstanding statements made during the conference, Opposer had not pleaded common law use of a mark with drinking water, and that Applicant had not amended the goods listed in its application to reflect the narrower goods with which Applicant, who is acting pro se in this matter, asserts that the mark will be used. The Board advised that if Opposer intends to amend the notice of opposition, Opposer should do so promptly.

In support of its motion to amend the notice of opposition, Opposer contends that the proposed changes "include" clarifications when Opposer's mark became famous

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<sup>1</sup> Opposed application Serial No 86639061 also includes International Class 44 services, but these services were not opposed.

and itemizations of the specific goods and services which are the subject of Opposer's pleaded common law use as "suggested by the Board." Opposer's motion to amend the notice of opposition is not accompanied by a red-lined copy of the proposed amendment which shows the changes. *See* Trademark Trial and Appeal Board Manual of Procedure (TBMP) §507.01 (June 2017) ("The Board recommends submission of a red-lined copy showing the proposed changes along with a clean copy of the proposed amended pleading."). In fact, a comparison of the pleadings shows that Opposer has not fully described the changes, and omits the facts that its pleaded now-cancelled registration has been cancelled and no longer appears in the pleading, and that three of the remaining four pleaded registrations have been restricted by the cancellation of numerous classes of goods, with the result that the rights pleaded by Opposer in support of its claims now are restricted. With its proposed amended pleading, Opposer seeks:

- to amend Par. 2 to specify the goods, including drinking water, with which its ACE and ACE AMERICAN COUNCIL ON EXERCISE marks is used;
- to delete the now-cancelled pleaded Registration No. 18843858 pleaded in former Par. 3;
- to amend Par. 6 in the original (Par. 5 in the proposed amended) notice of opposition to note that Registration No. 3358311 has become incontestable;
- to amend Par. 6 in the original (Par. 5 in the proposed amended) notice of opposition to delete now-cancelled International Classes 28, 35, and 42 in pleaded Registration No. 3089060;
- to amend Par. 7 in the original (Par. 6 in the proposed amended) notice of opposition to delete now-cancelled International Classes 16 and 28 in pleaded Registration No. 3190832;

- to amend Par. 8 in the original (Par. 7 in the proposed amended) notice of opposition to delete now-cancelled International Classes 9 and 25 in pleaded Registration No. 3244688;
- to amend Par. 9 in the original (Par. 8 in the proposed amended) notice of opposition to delete the reference to the fifth, now cancelled, Registration No. 18843858;
- to amend Par. 14 in the original (Par. 13 in the proposed amended) notice of opposition to specify that Opposer's marks became famous prior to Applicant's May 21, 2015 filing date.

In deciding whether to grant leave to amend, the Board may consider undue delay, prejudice to the opposing party, bad faith or dilatory motive, futility of the amendment, and whether the party has previously amended its pleadings. *Foman v. Davis*, 371 U.S. 178, 182 (1962); *Am. Express Mktg. & Dev. Corp. v. Gilad Dev. Corp.*, 94 USPQ2d 1294, 1297 (TTAB 2010). An unexplained delay in filing a motion to amend a pleading (when there is no question of newly discovered evidence) may render the amendment untimely. *Media Online Inc. v. El Clasificado Inc.*, 88 USPQ2d 1285, 1286 (TTAB 2008). Where the moving party seeks to add a new claim or defense, and the proposed pleading thereof is legally insufficient, or would serve no useful purpose, the Board normally will deny the motion for leave to amend. *Octocom Systems Inc. v. Houston Computer Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1785 (Fed. Cir. 1990).

Turning first to the whether the claims in the proposed amended pleading are futile, the Board finds that they are not. The claims of lack of bona fide intent to use, likelihood of confusion and dilution are legally sufficient. In fact, Opposer's amendments regarding the current status of its pleaded registrations make the

pleadings more accurate as to the rights which Opposer must prove at trial to succeed in its claims.

With respect to the timeliness of the motion to amend, Opposer contends that the July 2, 2017 motion to amend is filed at the April 28, 2017 suggestion of the Board, but ignores that the Board also advised that such amendments should be made promptly. Opposer does not offer any reason for the delay of more than two months in filing its motion. However, Opposer also notes that there is no prejudice to Applicant in allowing the amendment, and Applicant does not contend otherwise.

Applicant opposes the motion in part because Applicant does not recall the Board advising Opposer that the insufficient dilution claim could be amended. The sufficiency of the pleadings and reference to prompt amendment were addressed in the Board's order summarizing the conference, which is part of this record and was sent to Applicant. Applicant's opposition to the motion to amend otherwise is focused on matters outside the timeliness or sufficiency of the pleaded legal claims, or any other factors (as set forth above) considered by the Board in determining whether to allow an amendment of the pleading. While the Board will address Applicant's contentions briefly in this order with relevant procedural information, the Board cannot and will not advise Applicant on how to defend its application, and again urges Applicant to retain counsel.

Applicant contends that Opposer's registered marks are not for the same goods with which Applicant intends to use its mark, and that Opposer does not have prior common law rights in bottled water. Applicant is advised that identical goods are

not required to succeed on claims of likelihood of confusion, dilution, or lack bona fide intent to use. Opposer's burden of proof for its claims is set forth below. Opposer needs to succeed on only one of its claims for the opposition to be sustained.

*i. likelihood of confusion*

The predecessor to the Board's primary reviewing court established a list of factors to be considered when testing for likelihood of confusion. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 1361, 177 USPQ 563, 567 (CCPA 1973). In testing for likelihood of confusion under Sec. 2(d), therefore, the following, when of record, must be considered:

- (1) The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.
- (2) The similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use.
- (3) The similarity or dissimilarity of established, likely-to-continue trade channels.
- (4) The conditions under which and buyers to whom sales are made, i.e. "impulse" vs. careful, sophisticated purchasing.
- (5) The fame of the prior mark (sales, advertising, length of use).
- (6) The number and nature of similar marks in use on similar goods.
- (7) The nature and extent of any actual confusion.
- (8) The length of time during and conditions under which there has been concurrent use without evidence of actual confusion.
- (9) The variety of goods on which a mark is or is not used (house mark, "family" mark, product mark).
- (10) The market interface between applicant and the owner of a prior mark:
  - (a) a mere "consent" to register or use.
  - (b) agreement provisions designed to preclude confusion, i.e. limitations on continued use of the marks by each party.
  - (c) assignment of mark, application, registration and good will of the related business.
  - (d) laches and estoppel attributable to owner of prior mark and indicative of lack of confusion.
- (11) The extent to which applicant has a right to exclude others from use of its mark on its goods.

- (12) The extent of potential confusion, i.e., whether de minimis or substantial.
- (13) Any other established fact probative of the effect of use.

*(ii) dilution*

The Board's primary reviewing court, has set forth the following four elements a plaintiff must prove in a Board proceeding in order to prevail on a claim of dilution by blurring:

- (1) the plaintiff owns a famous mark that is distinctive;
- (2) the defendant is using a mark in commerce that allegedly dilutes the plaintiff's famous mark;
- (3) the defendant's use of its mark began after the plaintiff's mark became famous; and
- (4) the defendant's use of its mark is likely to cause dilution by blurring or by tarnishment.

*Coach Servs. Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1723-24 (Fed. Cir. 2012).

*(iii) lack of bona fide intent to use*

The determination of whether an applicant has a bona fide intention to use the mark in commerce is to be a fair, objective determination based on all the circumstances. *L'Oreal S.A. and L'Oreal USA, Inc. v. Robert Victor Marcon*, 102 USPQ2d 1434, 1443 (TTAB 2012). "Evidence bearing on bona fide intent is 'objective' in the sense that it is evidence in the form of real life facts and by the actions of the applicant, not solely by applicant's uncorroborated testimony as to its subjective state of mind." *SmithKline Beecham Corp. v. Omnisource DDS, LLC*, 97 USPQ2d 1300, 1305 (TTAB 2010).



In some respects Applicant seems to seek reconsideration of the Board's November 21, 2016 determination in related Opposition No. 91203539. A motion to set aside judgment would have to be filed in that proceeding, and not this one.<sup>2</sup> The Board will not revisit in this proceeding any of the decisions or determination made in the prior proceeding. As discussed in the discovery conference, any motion to apply findings from the prior proceeding to this proceeding will require a motion for summary judgment. The TBMP includes valuable discussions on considerations for motions to set aside judgment and for summary judgment.

Applicant also asserts that Opposer's relationship with the third party owner of an ACE registration may serve as a model here. To the extent that Applicant indicates his interest in settlement, as discussed in the discovery conference, the Board does not take an active role in promoting settlement. Applicant should make its settlement proposal directly to Opposer. To the extent that Applicant indicates that the mark ACE is weak in the relevant industry, and that similar marks may co-exist without a likelihood of confusion, this is a matter to be proven at trial or with a motion for summary judgment, and thus is premature at the pleading stage.

#### SUMMARY

Opposer's motion to amend the notice of opposition is GRANTED.

Applicant is ordered to file his answer to the amended notice of opposition within THIRTY DAYS from the mailing date of this order.

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<sup>2</sup> The Board does not suggest that Applicant has any grounds for seeking to set aside the judgment, but merely indicates the proper procedure for doing so. To the extent that Applicant expresses "surprise" at the Board's prior rulings, Applicant again is urged to discuss the matter with an attorney retained to represent Applicant's interest.

Proceedings are resumed, and dates are reset below.

Expert Disclosures Due	1/24/2018
Discovery Closes	2/23/2018
Plaintiff's Pretrial Disclosures Due	4/9/2018
Plaintiff's 30-day Trial Period Ends	5/24/2018
Defendant's Pretrial Disclosures Due	6/8/2018
Defendant's 30-day Trial Period Ends	7/23/2018
Plaintiff's Rebuttal Disclosures Due	8/7/2018
Plaintiff's 15-day Rebuttal Period Ends	9/6/2018
Plaintiff's Opening Brief Due	11/5/2018
Defendant's Brief Due	12/5/2018
Plaintiff's Reply Brief Due	12/20/2018
Request for Oral Hearing (optional) Due	12/30/2018

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125. An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.