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

EJW

Mailed: May 18, 2017

Opposition No. 91226647

Dude IP, LLC

v.

Food Dudes Delivery, LLC

ELIZABETH J. WINTER, INTERLOCUTORY ATTORNEY:

This case now comes up for consideration of Applicant's fully-briefed motion (filed January 3, 2017) to amend its answer to include a counterclaim and Opposer's motion (filed February 8, 2017) to strike Applicant's reply brief filed in support of its motion to amend.

For purposes of this order, the Board presumes the parties' familiarity with the pleadings and the arguments submitted with respect to the subject motions. Although the Board has reviewed the parties' briefs, the Board does not discuss all of the arguments and submissions, and does not address irrelevant arguments. *Guess? IP Holder LP v. Knowluxe LLC*, 116 USPQ2d 2018, 2019 (TTAB 2015).

Opposer's Motion to Strike Applicant's Reply Brief for its Motion to Amend

Insofar as Opposer's motion to strike may affect the Board's consideration of Applicant's brief, the Board turns first to Opposer's motion to strike. Opposer argues that the Board should strike Opposer's reply brief filed in connection with its motion

to amend because Opposer does not submit any newly discovered materials and Opposer has raised issues that should have been addressed by Applicant in its main brief.

Subject to the provisions of Fed. R. Civ. P. 11, a party is entitled to offer in its brief any argument it feels will be to its advantage. Accordingly, when a reply brief on a motion has been regularly filed, as in this case, the Board generally will not strike the brief, or any portion thereof, upon motion by an adverse party that simply objects to the contents thereof. Rather, any objections which an adverse party may have to the contents of such a brief will be considered by the Board in its determination of the original motion, and any portions of the brief that are found by the Board to be improper will be disregarded. TBMP § 517 (Jan. 2017).

Here, the Board finds Applicant's reply brief to be timely filed and to comprise appropriate content. Specifically, Applicant seeks therein to rebut Opposer's arguments set forth in its responsive brief, and the evidence attached to the reply brief, *i.e.*, Opposer's discovery responses (previously submitted with its motion), correspondence from Applicant's counsel to Opposer's counsel, and TSDR records regarding Opposer's registration, does not constitute improper rebuttal. Accordingly, Opposer's motion to strike is **denied**.

Applicant's Motion to Amend its Answer[1]

By way of background, Opposer opposes Applicant's trademark application for registration of the mark FOOD DUDES (in standard characters) on the ground of likelihood of confusion and, in support thereof, pleads, *inter alia*, ownership of three trademark registrations for the marks DD DELIVERY DUDES (and design) (U.S. Reg. No. 4702835), DELIVERY DUDES (U.S. Reg. No. 4702834), and DELIVERY DUDES (U.S. Reg. No. 4101367). Although Applicant states that it seeks to add a single counterclaim to cancel Opposer's U.S. Reg. No. 4702834 on the ground of fraud, to the extent that Applicant seeks to amend its answer to add an "alternative" counterclaim to cancel U.S. Reg. No. 4101367 on the ground of invalid assignment due to abandonment, Applicant's proposed amended pleading is construed to include *two* counterclaims.

Turning to Applicant's motion, Applicant explains that it only received Opposer's discovery responses three weeks prior to the filing of the subject motion to amend, and that Opposer's responses failed to show use of the mark DELIVERY DUDES since the alleged date of first use (*i.e.*, October 7, 2005) in connection with delivery services from restaurants. Applicant also explains that Opposer only produced the 2012 assignment regarding U.S. Reg. No. 4101367, and that Applicant's subsequent research shows that the previous owner of U.S. Reg. No. 4101367 for the mark

[1] The Board notes that Applicant primarily cites to Westlaw for its case citations. This practice is improper insofar as Westlaw publishes both precedential and non-precedential decisions of the Board. *See* TBMP § 101.03 (Decisional Law) (Jan. 2017) (Any cited decision of the Board or another court, which appears in the USPQ, should include a citation to the USPQ, in addition to any citation to an official reporter (if any), such as the Federal Reporter or Federal Supplement.), and cases cited therein.

DELIVERY DUDES only used its mark from September 2006, until April 2007, five years before U.S. Reg. No. 4101367 was assigned to Opposer. Therefore, argues Applicant, there is no record that Opposer provided restaurant delivery services as of the date of first use indicated in the underlying applications to Opposer's registrations.

- *Decision*

Fed. R. Civ. P. 15(a)(2), applicable to this proceeding pursuant to Trademark Rule 2.116(a), and Trademark Rule 2.107(a) encourage the Board to look favorably on motions to amend, stating that the Board "should freely give leave when justice so requires." Nevertheless, if allowance of the amendment would cause undue delay, prejudice the opposing party, be futile or be the product of bad faith or dilatory motive, amendment will be denied. *See Foman v. Davis*, 371 U.S. 178, 182 (1962); *W.R. Grace & Co. v. Arizona Feeds*, 195 USPQ 670, 671 (Comm'r Pat. 1977); *Am. Express Mktg. & Dev. Corp. v. Gilad Dev. Corp.,* 94 USPQ2d 1294, 1297 (TTAB 2010);[2] *see also* TBMP § 507.02 (Jan. 2017). The concept of "undue delay" is inextricably linked with the concept of prejudice to the non-moving party (*see Marshall Field & Co. v. Mrs. Fields Cookies*, 11 USPQ2d 1355, 1359 (TTAB 1989)), such that the Board may determine that if there is no prejudice to the non-moving party, there is no undue delay. *See Am. Express Mktg. & Dev. Corp.*, 94 USPQ2d at 1297 (although delay was substantial, no prejudice where proceedings were still in the discovery stage and non-

[2] In deciding whether to grant leave to amend, the Board may also consider whether the party has previously amended its pleadings. *See Am. Express Mktg. & Dev. Corp. v. Gilad Dev. Corp.,* 94 USPQ2d at 1297.

movant could be afforded time in which to take discovery). However, 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. *Ashland Licensing & Intellectual Prop. LLC v. Sunpoint Int'l Grp. USA Corp.*, 119 USPQ2d 1125, 1130 (TTAB 2016) (citing *Media Online Inc. v. El Clasificado Inc.*, 88 USPQ2d 1285, 1286 (TTAB 2008) (motion to amend denied where movant delayed over seven months and the parties never filed consented motion to suspend proceedings to allow for time to pursue settlement talks)).

As regards compulsory counterclaims, to be timely, such counterclaims must be brought as part of defendant's answer, if available, or promptly after the grounds therefor are learned. Trademark Rule 2.106(b)(2)(i) provides as follows:

> 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 known to the applicant when the answer to the opposition is filed, the counterclaim shall be pleaded with or as part of the answer. 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.

Thus, in the present case, the Board must determine whether Applicant knew of the grounds for its counterclaims at the time it filed its answer and, if not, whether Applicant filed its counterclaims promptly upon learning of those grounds. *Turbo Sportswear Inc. v. Marmot Mountain Ltd.,* 77 USPQ2d 1152, 1154 (TTAB 2005) ("we must determine whether applicant knew of the grounds at the time it filed its answers and, if not, whether applicant filed its counterclaims promptly upon learning of those grounds").

- *Timeliness of the Counterclaims*

The Board turns first to the issue of timeliness. Applicant's counterclaims involve issues related to Opposer's use of its pleaded registered marks, viability of an assignment, and fraud. Opposer contends that most of the information upon which Applicant's counterclaims are based is available from publically accessible documents, which were obtainable at the time Applicant filed its answer. Therefore, asserts Opposer, Applicant knew or should have known the grounds at that time. The Board is not so persuaded. As regards the counterclaim for fraud, that claim is certainly not untimely as a fraud claim requires a showing of intent and this type of information is usually obtainable only through discovery. *Marshall Field & Company v. Mrs. Fields Cookies*, 11 USPQ2d 1355, 1359 (TTAB 1989). As to the other counterclaim, determining that there was no on-going business related to a trademark at the time of an assignment may not be feasible in the short time allowed to file an answer. Additionally, Applicant explains that it only discovered the counterclaims through its independent investigation after it became clear that the parties' settlement negotiations were not successful.

In regard to the parties' negotiations, unlike the facts discussed in *Media Online*, trial dates were extended twice, both times for purposes of the parties' settlement negotiations. Thus, from one month after the answer was filed in this proceeding, until mid-November, 2016, the parties have been engaged in settlement negotiations and the proceeding has barely moved forward. Inasmuch as Applicant learned the grounds for cancellation during the course of the opposition proceeding, in view of the

parties' agreement to delay the close of discovery and extend trial dates in this proceeding, the Board finds that Applicant did not unduly delay the filing of its motion to amend. *Cf. Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503, 1505 (TTAB 1993) (motion to amend neither dilatory nor unduly delayed in view of prior pendency of summary judgment motion and consequent suspension of proceedings). Moreover, Opposer does not indicate any specific prejudice it will suffer in defending the counterclaims; and given the nature of Applicant's proposed claims, it is likely that much of the information relevant to defend the counterclaims is in Opposer's possession. *Cf. Bad Boys Bail Bonds, Inc. v. Yowell*, 115 USPQ2d 1925, 1930 (any evidence related to [plaintiff's] use of its mark would be in its own possession, custody, or control). Furthermore, approximately seventy-five days remain in the discovery period. In view of the foregoing, Applicant's motion would not prejudice Opposer or significantly delay resolution of the proceeding.[3]

- *Sufficiency of Counterclaims*

Turning to the sufficiency of Applicant's counterclaims, the Board considers first Applicant's counterclaim against U.S. Reg. No. 4702834 on the ground of fraud. Fraud in procuring a trademark registration occurs when an applicant for registration knowingly makes a false, material representation of fact in connection

[3] The Board is also persuaded to grant Applicant's motion to amend because Applicant's counterclaims are compulsory. *See* Wright, Miller, Kane *et al.*, 6 Fed. Prac. & Proc. Civ. § 1430 (3d. ed. 2016) (When the omitted counterclaim is compulsory, the reasons for allowing its introduction by amendment become even more persuasive, since an omitted compulsory counterclaim cannot be asserted in subsequent cases (at least in the federal courts) and the pleader will lose the opportunity to have the claim adjudicated.).

with an application to register with the intent of obtaining or maintaining a registration to which it is otherwise not entitled. *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009). Fed. R. Civ. P. 9(b) provides that the circumstances constituting the alleged fraud shall be stated with particularity. *See King Automotive, Inc. v. Speedy Muffler King, Inc.,* 667 F.2d 1008, 212 USPQ 801, 803 (CCPA 1981) (stating that "the pleadings [must] contain explicit rather than implied expressions of the circumstances constituting fraud"); 5A Charles Alan Wright et al., Fed. Prac. & Proc. § 1298 (3d ed. Jan. 2017) (discussing particularity requirement of Fed. R. Civ. P. 9(b)). Intent to deceive is an indispensable element of the analysis in a fraud case. *See In re Bose Corp.,* 91 USPQ2d at 1941. As such, intent to deceive the Office, whether to obtain a registration or to maintain a registration, is an element that must be pleaded in a fraud claim. Nonetheless, intent, as a condition of mind of a person, may be averred generally. Fed. R. Civ. P. 9(b); *see also DaimlerChrysler Corp. v. American Motors Corp.*, 94 USPQ2d 1086, 1088 (TTAB 2010).

The salient allegations of the fraud counterclaim against U.S. Reg. No. 4702834 are as follows:

> 7. Opposer filed for the '834 Reg. for DELIVERY DUDES on December 30, 2014.[4] …

[4] Paragraph 7 is inconsistent with paragraph 8 and, furthermore, the application underlying U.S. Reg. No. 4702834 was filed on June 2, 2014. The publication date for that application was December 30, 2014. Additionally, Applicant's use of the wording "statement of use" in paragraph 21 is misleading insofar as an "allegation of first use" is set forth in a use-based application; whereas, a "statement of use" is a document filed in connection with an intent-to-use application after publication of the application.

> 8. In filing for the '834 Reg. Opposer filed a sworn declaration on June 2, 2014 claiming first use of the mark DELIVERY DUDES on all of these services as of October 7, 2005.
>
> 9. Upon information and belief Opposer did not begin its own operations until at least 2009. ….
>
> 20. Opposer's sworn statement of use filed on June 2, 2014 to obtain the '834 Reg. claiming first use at least as early as October 7, 2005 … has no evidentiary support and is wholly contradicted by the statement and prior webpages of ASU Delivery Dudes as well as the '367 Reg.
>
> 21. Upon information and belief, Opposer made its knowingly false sworn statement of use with the intent of deceiving the USPTO with regard to Reg. No. 4,702,834 and therefore the statement of use was fraudulent.

Applicant's allegations fail to set forth a fraud claim for which relief can be granted. Specifically, the gravamen of this claim is that Opposer's date of first use was incorrect, *i.e.*, it was stated to be October 7, 2005, when the date of first use was actually in 2009. Because Applicant's allegations indicate that Opposer commenced use of its DELIVERY DUDES mark in 2009, prior to the June 2, 2014 application filing date, there is no fraud. The critical question is whether the mark was in use in connection with the identified services as of the filing date of Opposer's underlying use-based application. That is, if the mark was in use in commerce as of the filing date, then the claimed date of first use, even if false, does not constitute fraud because the first use date is not material to the Office's decision to approve a mark for publication. *Kathleen Hiraga v. Sylvester J. Arena,* 90 USPQ2d 1102, 1107 (TTAB 2009) (citing *Standard Knitting, Ltd. v. Toyota Jidosha Kabushiki Kaisha,* 77 USPQ2d 1917, 1926 (TTAB 2006); *Colt Industries Operating Corp. v. Olivetti Controllo Numerico S.p.A.,* 221 USPQ 73, 76 (TTAB 1983) ("The [Trademark]

Examining Attorney gives no consideration to alleged dates of first use in determining whether conflicting marks should be published for opposition.")); *see also Western Worldwide Enterprises Group Inc. v. Qinqdao Brewery,* 17 USPQ2d 1137, 1141 (TTAB 1990) (Erroneous statement of date of first use does not constitute fraud unless "there was no valid use of the mark until after the filing of the application"). In view of the foregoing, Applicant's fraud counterclaim against U.S. Reg. No. 4702834 fails to state a claim upon which relief can be granted. Additionally, even if Opposer's actual date of first use is August 1, 2009 (reply, 12 TTABVUE 10), that date still precedes the filing date of Opposer's underlying application for U.S. Reg. No. 4702834. Therefore, because Applicant has alleged and argued that Opposer's date of first use of the DELIVERY DUDES mark was prior to the filing date of the underlying application, Applicant's fraud claim as regard U.S. Reg. No. 4702834 is futile.

Turning next to the counterclaim against U.S. Reg. No. 4101367, the salient allegations for Applicant's invalid assignment claim in connection with that registration are as follows:

> 5. Opposer brought this Opposition citing three U.S. Registrations. The oldest, U.S. Registration No. 4101367 for the mark DELIVERY DUDES … and claims first use on October 7, 2005 …
>
> 9. Upon information and belief Opposer did not begin its own operations until at least 2009. ….
>
> 11. As Opposer was not in business as of October 7, 2005, Opposer's sworn claim of use as of that date is based on the '367 Reg. for DELIVERY DUDES, which Opposer's predecessor or related company purchased on or about September 17, 2012 from Mark Vincent Veneziano, the original owner of the '367 Reg.

> 13. The specimen Mr. Veneziano filed … in support of the '367 Reg. specifically identifies Delivery Dudes, LLC as an "on-line grocery delivery business" and that the business targets "Arizona State University students who don't have transportation or the time to visit a grocery store." …
>
> 16. Further, a review of the archived ASU Delivery Dudes' webpages shows ASU Delivery Dudes did not perform restaurant delivery services. …
>
> 17. From the internet archive of www.asudeliverydudes.com, it appears that operations of the website were discontinued in 2007. … Of those internet archives, the last one showing an active grocery delivery service was April 7, 2007. … As the services were expressly conducted through online ordering, the discontinuation of the web page can only mean that the on-line ordering grocery business of ASU Delivery Dudes was shut down around or near April 7, 2007—nearly five years before the '367 Reg. was assigned by Mr. Veneziano to Delivery Dudes, LLC of Delray Beach Florida on September 17, 2012.
>
> 18. Upon information and belief, Delivery Dudes, LLC was dissolved on or about February 1, 2013. … Delivery Dudes, LLC assigned the '367 Reg. to Opposer on or about March 28, 2013 by Delivery Dudes LLC's sole remaining member and manager at the time of the dissolution.
>
> 19. To date, Opposer has failed to produce any documentation related to Mr. Veneziano or ASU Food Dudes other than the assignment of the '367 Reg. from Mr. Veneziano to Delivery Dudes, LLC that was filed with the USPTO. …
>
> 22. In the alternative, even if Opposer shows use of the DELIVERY DUDES on "delivery of food and beverages order from restaurants" as of October 7, 2005, the evidence shows that the owner of the '367 Reg. did not continue to use the DELIVERY DUDES mark for "delivery of food and beverages ordered from restaurants" … for a period of at least three years prior to the assignment of the '367 Reg. on or about September 17, 2012. As such, even if Opposer could show use of the mark DELIVERY DUDES … as of October 7, 2005, those rights were abandoned before the September 17, 2012 assignment.

To sufficiently plead a claim of invalid assignment based on abandonment under Trademark Act Section 10, 15 U.S.C. § 1060, the plaintiff must first plead that there was no use by the owner of the mark at issue for a period of at least three years, or no use for a period of less than three years with no intent to resume use. *See* Section 45 of the Trademark Act; *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575,

14 USPQ2d 1390 (Fed. Cir. 1990) (emphasis added); *see also Otto International, Inc. v. Otto Kern GmbH*, 83 USPQ2d 1861, 1863 (TTAB 2007) (pleading of abandonment must set forth *prima facie* case by pleading either at least three consecutive years of non-use, or facts that show period of non-use less than three years coupled with pleading of defendant's intent not to resume use). Second, plaintiff must plead that the assignment of an abandoned mark is not valid, e.g., because, in view of the abandonment of the registered mark, the transfer was an assignment in gross. *See, e.g., Auburn Farms Inc. v. McKee Foods Corp.*, 51 USPQ2d 1439, 1444 (TTAB 1999) ([The prior owner's] abandonment of the mark JAMMERS a number of years prior to the assignment resulted in an invalid assignment (that is, an assignment in gross) since "[a]n abandoned trademark is not capable of assignment"; cancellation granted); *Parfums Nautee Ltd. v. American Int'l Indus.*, 22 USPQ2d 1306 (TTAB 1992) (In view of [defendant]'s predecessor's nonuse for at least three years prior to the assignment to [defendant], [the Board found], as a matter of law, that the assignor/predecessor had abandoned the registered mark …. This abandonment resulted in an invalid assignment (i.e., an assignment in gross) since '[a]n abandoned trademark is not capable of assignment.'").[5]

Here, Applicant has alleged that Opposer's predecessor-in-interest no longer provided its delivery services after April 7, 2007 (¶ 17) and that the assignment occurred five years later, on September 17, 2012. In view thereof, Applicant has set forth a sufficient *prima facie* claim of abandonment of U.S. Reg. No. 4101367 based

[5] *See also Ashland Licensing & Intellectual Property LLC v. Sunpoint Int'l Group USA Corp.*, 119 USPQ2d 1125 (TTAB 2015) (not precedential) (2015 WL 9913822).

on at least three consecutive years of non-use. Additionally, Applicant has essentially alleged that in view of the abandonment of the DELIVERY DUDES mark by Opposer's predecessor-in-interest, the assignment to Opposer was an assignment in gross by which no valid rights were transferred.[6] In view thereof, Applicant's counterclaim against U.S. Reg. No. 4101367 for invalid assignment due to abandonment is sufficiently pleaded.

Accordingly, Applicant's motion to amend its answer to add its counterclaim regarding U.S. Reg. No. 4101367 is **granted**, and Applicant's motion to amend its answer to add a counterclaim in regard to U.S. Reg. No. 4702834 is **denied**. Therefore, to the extent that Applicant's proposed amended pleading alleges a counterclaim of fraud, said allegations are *stricken* (*see* Fed. R. Civ. P. 12(f)), and Applicant's amended pleading is otherwise accepted as its pleading of record.[7]

Improper Defenses in Answer

In reviewing Applicant's counterclaims, the Board has also *sua sponte* considered the remainder of Applicant's answer, including its asserted affirmative defenses. *See Musical Directions v. McHugh*, 104 USPQ2d 1157, 1160 (TTAB 2012) (the Board *sua sponte* reviewed opposer's pleading, determined that certain claims were

[6] It is a well-established principle, both at common law and under Section 10 of the Trademark Act, 15 U.S.C. § 1060, that a trademark cannot be sold or assigned apart from the goodwill it symbolizes. *Ph. Schneider Brewing Co. v. Century Distilling Co.,* 107 F.2d 699, 43 USPQ 262 (10th Cir. 1939); *Warner-Lambert Pharmaceutical Co. v. General Foods Corp.,* 164 USPQ 532 (TTAB 1970). The sale of a trademark apart from its goodwill is an "assignment in gross" and such an assignment confers no rights on the assignee (citing *McCarthy on Trademarks and Unfair Competition* §§ 18.2, 18.3 (4th ed. 1997)).

[7] Accordingly, pursuant to the instructions of Applicant's counsel submitted on May 17, 2017, the counterclaim fee in regard to U.S. Reg. No. 4101367 has been processed.

insufficiently pleaded, and allowed opposer time to file and serve an amended pleading which properly set forth those claims, failing which those claims would be dismissed). *Cf. Boswell v. Mavety Media Group Ltd.*, 52 USPQ2d 1600, 1600 n.2 (TTAB 1999) (in view of applicant's statement that it intended to file another motion to strike, and to avoid a further round of papers, the Board reviewed opposer's amended pleading and *sua sponte* struck certain paragraphs as failing to state proper grounds for opposition). Based thereon, the Board finds that certain of Applicant's affirmative defenses are improper.

Turning first to Applicant's first affirmative defense (answer, ¶ 19), *i.e.*, that "Opposer states a claim upon which relief cannot be granted," Opposer's claim of likelihood of confusion is sufficiently pleaded. Specifically, the notice of opposition clearly sets forth allegations of priority with respect to Applicant, as well as likelihood of confusion (see ¶¶ 6, 7, 9 and 12). It is sufficient to generally plead likelihood of confusion (*see The Wet Seal, Inc. v. FD Management, Inc.,* 82 USPQ2d 1629, 1639-40 n.21 (TTAB 2007)), and to allege that the plaintiff has a proprietary interest in its pleaded mark and that it has priority vis-à-vis the adverse party. *See* Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d). In view thereof, Applicant's first affirmative defense is hereby *stricken*. *See* Fed. R. Civ. P. 12(f).

As regards the third affirmative defense (answer, ¶ 21), *i.e.*, that Opposer's claim is barred by the doctrine of waiver and estoppel because neither the USPTO or Opposer's assignor claimed that Applicant's FOOD DUDES DELIVERY application

was confusingly similar to DELIVERY DUDES, Applicant has misapplied these doctrines and has not alleged any facts in support thereof.

By the doctrine of waiver, the Board assumes that Applicant is attempting to assert a defense based on "estoppel by agreement" or "contractual estoppel," *i.e.*, that a prior agreement between the parties estops opposer from filing the present opposition. *See, e.g., M-5 Steel Mfg. Inc. v. O'Hagin's Inc.*, 61 USPQ2d 1086, 1095 (TTAB 2001), and cases cited therein. Applicant has not asserted that there was a prior agreement between Opposer and Applicant regarding Applicant's registration of its mark. Likewise, with respect to estoppel, Applicant has not alleged that there was (1) misleading conduct on the part of Opposer, which may include not only statements and action but silence and inaction, leading another to reasonably infer that rights will not be asserted against it; (2) reliance upon this conduct; and (3) due to this reliance, material prejudice if the delayed assertion of such rights is permitted. *See Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes, Inc.,* 971 F.2d 732, 23 USPQ2d 1701, 1703 (Fed. Cir. 1992). Additionally, the misleading conduct alleged must be an affirmative act. *See DAK Indus. Inc. v. Daiichi Kosho Co. Ltd.,* 25 USPQ2d 1622, 1625 (TTAB 1993) ("it is well settled that '[a]cquiescence and estoppel require some affirmative act by opposer which led applicant to reasonably believe that opposer would not oppose applicant's registration of its mark'"). Applicant has not alleged that Opposer committed an affirmative, misleading act that Applicant relied upon to its material detriment. In any event, insofar as Opposer filed its notice of opposition against Applicant's application, the Board fails to see how Applicant could establish

estoppel. In an opposition proceeding, the equitable estoppel defense must be tied to the registration of applicant's mark, not applicant's use of its marks. *Lincoln Logs*, 23 USPQ2d at 1703.

Affirmative defense number four (answer, ¶ 22) repeats in summary form the fraud claim with respect to U.S. Reg. No. 4702834. In the first instance, it is improper to include allegations in support of a counterclaim in the affirmative defenses. Second, insofar as Applicant's counterclaim against U.S. Reg. No. 4702834 has been stricken as insufficient and futile, this defense is also stricken. *See* Fed. R. Civ. P. 12(f).

Finally, affirmative defense number five (answer, ¶ 23) appears to allege abandonment. To the extent the defense repeats allegations in Applicant's counterclaim, it is inappropriate and is hereby *stricken*. *See id.*

Trial Dates Reset

Opposer is allowed until **THIRTY DAYS** from the mailing date of this order to submit an answer to the counterclaim. Trial dates are reset in accordance with the following schedule:

Answer to Counterclaim Due	**June 18, 2017**
Expert Disclosures Due	**August 3, 2017**
Discovery Closes	**September 2, 2017**
Plaintiff's Pretrial Disclosures Due	**October 17, 2017**
30-day testimony period for plaintiff's testimony to close	**December 1, 2017**
Defendant/Counterclaim Plaintiff's Pretrial Disclosures	**December 16, 2017**

30-day testimony period for defendant and plaintiff in the counterclaim to close	**January 30, 2018**
Counterclaim Defendant's and Plaintiff's Rebuttal Disclosures Due	**February 14, 2018**
30-day testimony period for defendant in the counterclaim and rebuttal testimony for plaintiff to close	**March 31, 2018**
Counterclaim Plaintiff's Rebuttal Disclosures Due	**April 15, 2018**
15-day rebuttal period for plaintiff in the counterclaim to close	**May 15, 2018**
Brief for plaintiff due	**July 14, 2018**
Brief for defendant and plaintiff in the counterclaim due	**August 13, 2018**
Brief for defendant in the counterclaim and reply brief, if any, for plaintiff due	**September 12, 2018**
Reply brief, if any, for plaintiff in the counterclaim due	**September 27, 2018**

Generally, the Federal Rules of Evidence apply to Board trials. Trial testimony is taken and introduced out of the presence of the Board during the assigned testimony periods. The parties may stipulate to a wide variety of matters, and many requirements relevant to the trial phase of Board proceedings are set forth in Trademark Rules 2.121 through 2.125, 37 C.F.R. §§ 2.121-2.125. These include pretrial disclosures, the manner and timing of taking testimony, matters in evidence, and the procedures for submitting and serving testimony and other evidence, including affidavits, declarations, deposition transcripts and stipulated evidence. Trial briefs shall be submitted in accordance with Trademark Rules 2.128(a) and (b), 37 C.F.R. §§ 2.128(a) and (b). Oral argument at final hearing will be scheduled only

upon the timely submission of a separate notice as allowed by Trademark Rule 2.129(a), 37 C.F.R. § 2.129(a).

NOTICE: CHANGES TO THE TRADEMARK TRIAL AND APPEAL BOARD ("BOARD") RULES OF PRACTICE **EFFECTIVE JANUARY 14, 2017**

The USPTO published a Notice of Final Rulemaking in the Federal Register on October 7 2016, at 81 Fed. Reg. 69950. It sets forth **several** amendments to the rules that govern *inter partes* (oppositions, cancellations, concurrent use) and ex parte appeal proceedings. A correction to the final rule was published on December 12, 2016, at 81 Fed. Reg. 89382.

For complete information, the parties are referred to:

- The Board's home page on the uspto.gov website: http://www.uspto.gov/trademarks-application-process/trademark-trial-and-appeal-board-ttab
- The final rule: http://www.uspto.gov/sites/default/files/documents/81%20FR%2069950.pdf
- The correction to the final rule: http://www.uspto.gov/sites/default/files/documents/81%20FR%2089382.pdf
- A chart summarizing the affected rules and changes: http://www.uspto.gov/sites/default/files/documents/RulesChart_12_9_16.pdf

For **all** proceedings, including those **already in progress on January 14, 2017**, some of the changes are:

- All pleadings and submissions must be filed through ESTTA. Trademark Rules 2.101, 2.102, 2.106, 2.111, 2.114, 2.121, 2.123, 2.126, 2.190 and 2.191.
- Service of all papers must be made by email, unless otherwise stipulated. Trademark Rule 2.119.
- Response periods are no longer extended by five days for service by first-class mail, Priority Mail Express®, or overnight courier. Trademark Rule 2.119.
- Deadlines for submissions to the Board that are initiated by a date of service are 20 days. Trademark Rule 2.119. Responses to motions for summary judgment remain 30 days. Similarly, deadlines for responses to discovery requests remain 30 days.
- All discovery requests must be served early enough to allow for responses prior to the close of discovery. Trademark Rule 2.120. Duty to supplement discovery responses will continue after the close of discovery.
- Motions to compel initial disclosures must be filed within 30 days after the deadline for serving initial disclosures. Trademark Rule 2.120.
- Motions to compel discovery, motions to test the sufficiency of responses or objections, and motions for summary judgment must be filed prior to the first pretrial disclosure deadline. Trademark Rules 2.120 and 2.127.

- Requests for production and requests for admission, as well as interrogatories, are each limited to 75. Trademark Rule 2.120.
- Testimony may be submitted in the form of an affidavit or declaration. Trademark Rules 2.121, 2.123 and 2.125
- New requirements for the submission of trial evidence and deposition transcripts. Trademark Rules 2.122, 2.123, and 2.125.
- For proceedings **filed on or after January 14, 2017**, in addition to the changes set forth above, the Board's notice of institution constitutes service of complaints. Trademark Rules 2.105(a) and 2.113(a).

This is only a summary of the significant content of the Final Rule. All parties involved in or contemplating filing a Board proceeding, regardless of the date of commencement of the proceeding, should read the entire Final Rule.