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Filing date: **01/06/2017**

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

Proceeding	91231507
Party	Defendant Ole Smoky Distillery, LLC
Correspondence Address	MICHAEL E. ROBINSON Robinson Ip Law Pllc 9724 Kingston Pike Ste 1403 Knoxville, TN 37922-6907 docketing@robinsoniplaw.com;rrobinson@robinsoniplaw.com
Submission	Answer and Counterclaim
Filer's Name	Michael E. Robinson
Filer's e-mail	rrobinson@robinsoniplaw.com, docketing@robinsoniplaw.com
Signature	/michael e robinson/
Date	01/06/2017
Attachments	01183-20170106-tottab-Answer_Counterclaims.pdf(183482 bytes)

Registrations Subject to the filing

Registration No	820362	Registration date	12/13/1966
Registrant	PEPSICO, INC. PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 1948/09/24 First Use In Commerce: 1948/10/10
All goods and services in the class are requested, namely: SOFT DRINKS, AND CONCENTRATES USED IN THE PREPARATION THEREOF

Grounds for Cancellation

Deceptiveness	Trademark Act Sections 14(3) and 2(a)		
Registration No	4814423	Registration date	09/15/2015
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2015/03/30 First Use In Commerce: 2015/03/30
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Registration No	3674349	Registration date	08/25/2009
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2009/01/00 First Use In Commerce: 2009/01/00
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Grounds for Cancellation

Deceptiveness	Trademark Act Sections 14(3) and 2(a)		
Registration No	4965710	Registration date	05/24/2016
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2015/04/01 First Use In Commerce: 2015/04/01
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Registration No	4161395	Registration date	06/19/2012
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2011/04/00 First Use In Commerce: 2011/04/00
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Registration No	2950372	Registration date	05/10/2005
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2004/07/00 First Use In Commerce: 2004/07/00
All goods and services in the class are requested, namely: SOFT DRINKS, AND SYRUPS AND CONCENTRATES FOR MAKING THE SAME

Grounds for Cancellation

Deceptiveness	Trademark Act Sections 14(3) and 2(a)		
Registration No	2803790	Registration date	01/06/2004
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2003/05/01 First Use In Commerce: 2003/05/01
All goods and services in the class are requested, namely: SOFT DRINKS, AND SYRUPS AND

CONCENTRATES FOR MAKING THE SAME

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	3664996	Registration date	08/04/2009
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2009/04/20 First Use In Commerce: 2009/04/20
All goods and services in the class are requested, namely: Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	3673766	Registration date	08/25/2009
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2008/00/00 First Use In Commerce: 2008/00/00
All goods and services in the class are requested, namely: SEMI-FROZEN SOFT DRINKS

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	1335820	Registration date	05/14/1985
Registrant	PepsiCo, Inc. Purchase, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 1984/05/25 First Use In Commerce: 1984/05/25
All goods and services in the class are requested, namely: Soft Drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	3145625	Registration date	09/19/2006
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2005/03/00 First Use In Commerce: 2005/03/00

All goods and services in the class are requested, namely: Soft drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	2694168	Registration date	03/04/2003
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2002/05/20 First Use In Commerce: 2002/05/20
All goods and services in the class are requested, namely: SOFT DRINKS

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	4876016	Registration date	12/22/2015
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2015/09/15 First Use In Commerce: 2015/09/15
All goods and services in the class are requested, namely: Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks

Registration No	3693935	Registration date	10/06/2009
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2009/01/00 First Use In Commerce: 2009/01/00
All goods and services in the class are requested, namely: Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	3694026	Registration date	10/06/2009
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2009/01/00 First Use In Commerce: 2009/01/00
All goods and services in the class are requested, namely: Soft drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	3694027	Registration date	10/06/2009
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2009/01/00 First Use In Commerce: 2009/01/00
All goods and services in the class are requested, namely: Soft drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	4455405	Registration date	12/24/2013
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2013/02/25 First Use In Commerce: 2013/02/25
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; soft drinks

Registration No	3330331	Registration date	11/06/2007
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2007/08/13 First Use In Commerce: 2007/08/13
All goods and services in the class are requested, namely: SOFT DRINKS, AND SYRUPS AND CONCENTRATES FOR MAKING THE SAME

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	3982749	Registration date	06/21/2011
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2011/03/00 First Use In Commerce: 2011/03/00
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	3982750	Registration date	06/21/2011
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2011/03/00 First Use In Commerce: 2011/03/00
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	4010537	Registration date	08/09/2011
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2011/05/02 First Use In Commerce: 2011/05/02
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Grounds for Cancellation

Deceptiveness		Trademark Act Sections 14(3) and 2(a)	
Registration No	4161396	Registration date	06/19/2012
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2011/09/00 First Use In Commerce: 2011/09/00
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Registration No	3703414	Registration date	10/27/2009
Registrant	PEPSICO, INC. 700 ANDERSON HILL ROAD PURCHASE, NY 10577 UNITED STATES		

Goods/Services Subject to the filing

Class 032. First Use: 2009/06/00 First Use In Commerce: 2009/06/00
All goods and services in the class are requested, namely: Concentrates, syrups or powders used inthe preparation of soft drinks; Soft drinks

Grounds for Cancellation

Deceptiveness	Trademark Act Sections 14(3) and 2(a)
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

IN THE MATTER OF APPLICATION

Mark: OLE SMOKY MOUNTAIN DEW MOONSHINE
Applicant: Ole Smoky Distillery, LLC
Serial No.: 86/762,399
Filed: September 21, 2015
Published: August 2, 2016

_____)	
PEPSICO, INC.,)	
)	
Opposer and Counterclaim Defendant,)	Opposition No.: 91231507
)	
v.)	
)	
OLE SMOKY DISTILLERY, LLC,)	
)	
Applicant and Counterclaim Plaintiff.)	
_____)	

ANSWER AND COUNTERCLAIMS

Ole Smoky Distillery, LLC (“Applicant” or “Ole Smoky”), a limited liability company based in Tennessee hereby responds to the Notice of Opposition filed by PepsiCo, Inc. (“Opposer” or “PepsiCo”) on November 30, 2016 against application serial number 86/762,399 for the mark OLE SMOKY MOUNTAIN DEW MOONSHINE as follows:

First Paragraph: Ole Smoky denies that Opposer will be damaged by the registration of United States Trademark Application Serial No. 86/762,399, filed on September 21, 2015 by Ole Smoky. Ole Smoky admits that it caused to be filed an application (United States Trademark Application Serial No. 86/762,399) for the mark OLE SMOKY MOUNTAIN DEW MOONSHINE based on an intention to use the mark on or in connection with goods in International Class 33. Ole Smoky admits that Opposer was granted an extension of time to file a

Notice of Opposition in this case. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of the first unnumbered paragraph of the opposition and therefore Ole Smoky denies those allegations.

1. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 1 of the opposition and therefore Ole Smoky denies those allegations.
2. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 2 of the opposition and therefore Ole Smoky denies those allegations.
3. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 3 of the opposition and therefore Ole Smoky denies those allegations.
4. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 4 of the opposition and therefore Ole Smoky denies those allegations.
5. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 5 of the opposition and therefore Ole Smoky denies those allegations.

6. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 6 of the opposition and therefore Ole Smoky denies those allegations.
7. Ole Smoky admits that PepsiCo appears to have used its MOUNTAIN DEW and MTN DEW marks on or in connection with non-alcoholic beverages prior to the filing date and/or use of the mark in the application-at-issue. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 7 of the opposition and therefore Ole Smoky denies those allegations.
8. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 8 of the opposition and therefore Ole Smoky denies those allegations.
9. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 9 of the opposition and therefore Ole Smoky denies those allegations.
10. Ole Smoky admits that Opposer is listed as the owner of record of multiple trademark registrations including some or all of the registrations cited in paragraph 10. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 10 of the opposition and therefore Ole Smoky denies those allegations.

11. Ole Smoky admits that some of the registrations that list Opposer as the owner of record appear to have attained incontestable status. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 11 of the opposition and therefore Ole Smoky denies those allegations.
12. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 12 of the opposition and therefore Ole Smoky denies those allegations.
13. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 13 of the opposition and therefore Ole Smoky denies those allegations.
14. Ole Smoky admits that, on September 21, 2015, Ole Smoky, having an address at 236 E Main St. #136 Sevierville, Tennessee 37862, filed Application Serial No. 86/762,399 to register OLE SMOKY MOUNTAIN DEW MOONSHINE, based on an intent to use the mark in connection with “distilled spirits” in International Class 33. Ole Smoky admits that, at the time Ole Smoky filed its application for the OLE SMOKY MOUNTAIN DEW MOONSHINE mark, it was aware of the MOUNTAIN DEW brand of non-alcoholic soft drinks. Ole Smoky denies the remaining allegations in paragraph 14.
15. Ole Smoky denies that registration of the mark OLE SMOKY MOUNTAIN DEW MOONSHINE is barred by the provisions of Section 2(d) of the Trademark Act of 1946. Ole Smoky further denies that the mark OLE SMOKY MOUNTAIN DEW MOONSHINE

consists of or comprises a mark which so resembles Opposer's alleged marks as to be likely, when used in connection with the goods of Ole Smoky, to cause confusion, mistake or deception. Ole Smoky admits that the marks MOUNTAIN DEW and MTN DEW appear to be the subject of prior registrations which appear to have been in use and appear to be owned of record by Opposer. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 15 of the opposition and therefore Ole Smoky denies those allegations.

16. Ole Smoky admits that the application filing dates and/or registration dates for the alleged marks MOUNTAIN DEW and MTN DEW precede the filing date of Ole Smoky's application for the mark OLE SMOKY MOUNTAIN DEW MOONSHINE.

17. Ole Smoky admits that its OLE SMOKY MOUNTAIN DEW MOONSHINE mark is the subject of the application-in-opposition and that it incorporates the phrase "Mountain Dew" in its entirety. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 17 of the opposition and therefore Ole Smoky denies those allegations.

18. Ole Smoky denies the allegations of paragraph 18 of the opposition.

19. Ole Smoky denies the allegations of paragraph 19 of the opposition.

20. Ole Smoky denies that registration and use of Ole Smoky's mark would likely dilute Opposer's alleged MOUNTAIN DEW Marks in violation of 15 U.S.C. § 1125(c). Ole

Smoky denies that Ole Smoky's OLE SMOKY MOUNTAIN DEW MOONSHINE mark is not entitled to registration under 15 U.S.C. § 1052(f) and Section 13 of the Lanham Act, 15 U.S.C. § 1063. Ole Smoky is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 20 of the opposition and therefore Ole Smoky denies those allegations.

21. Ole Smoky denies the allegations of paragraph 19 of the opposition.

AFFIRMATIVE DEFENSES

22. Opposer is not entitled to equitable relief because Opposer has made false or misleading representations to the public regarding the origin and ingredients of products sold under Opposer's MOUNTAIN DEW marks.

23. As an alternative affirmative defense, Applicant's use of the phrase "mountain dew" as part of Applicant's OLE SMOKY MOUNTAIN DEW MOONSHINE mark is descriptive of Applicant's goods, and therefore Applicant's mark is not likely to cause confusion with Opposer's MOUNTAIN DEW marks.

24. Ole Smoky has acquired trademark rights in the mark MOUNTAIN DEW for distilled spirits from its predecessor in interest, McCulloch Pre-Prohibition Brands, LLC. As an alternative affirmative defense, to the extent that Ole Smoky's or its predecessor in interest's MOUNTAIN DEW mark has not acquired secondary meaning for distilled spirits, the phrase "mountain dew" is merely descriptive of Applicant's goods, and

therefore Applicant's mark is not likely to cause confusion with Opposer's MOUNTAIN DEW marks.

25. As an alternative affirmative defense, to the extent that Ole Smoky's or its predecessor in interest's MOUNTAIN DEW mark has not acquired secondary meaning, the phrase "mountain dew" is generic for Applicant's goods, and therefore Applicant's mark is not likely to cause confusion with Opposer's MOUNTAIN DEW marks.

26. As an alternative affirmative defense, if any of Opposer's marks are in fact famous, Ole Smoky's use of its mark OLE SMOKY MOUNTAIN DEW MOONSHINE would not impair or harm such famous mark(s) because of the commonly understood meanings of the term "mountain dew."

27. Opposer's claims are barred by unclean hands.

28. Opposers's claims are barred by estoppel.

29. Opposer's claims are barred by laches.

COUNTERCLAIMS

Applicant / Counterclaim Plaintiff, Ole Smoky Distillery, LLC (“Ole Smoky”), a Tennessee limited liability company having a business address at 236 E. Main St. #136, Sevierville, Tennessee 37862-3531 believes that it and the public at large have been and will be damaged by the continued registration of (1) United States Trademark Registration Number 4,814,423 (“the ’423 Registration”), filed on July 31, 2014 and registered on September 15, 2015 for the mark MTN DEW DEW SHINE covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32 and (2) United States Trademark Registration Number 4,965,710 (“the ’710 Registration”), filed on January 27, 2015 and registered on May 24, 2016 for the mark DEWSHINE covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32 (hereinafter, collectively, the DEW SHINE Registrations), both registered in the name of Opposer / Counterclaim Defendant PepsiCo, Inc. (“PepsiCo”) having a place of business at 700 Anderson Hill Road, Purchase, New York 10577. Ole Smoky further believes that it and the public at large have been and will be damaged by the continued registration of (3) United States Trademark Registration Number 820,362 (“the ’362 Registration”), filed on April 15, 1966 and registered on December 13, 1966 for the mark MOUNTAIN DEW covering “soft drinks, and concentrates used in the preparation thereof” in class 32, (4) United States Trademark Registration Number 3,674,349 (“the ’349 Registration”), filed on October 6, 2008 and registered on August 25, 2009 for the mark MTN DEW covering “concentrates, syrups or powders used in the preparation of soft drinks; soft drinks” in class 32, (5) United States Trademark Registration Number 4,161,395 (“the ’395 Registration”), filed on November 21, 2011 and registered on June 19, 2012 for the mark MTN DEW CODE RED covering “concentrates, syrups or powders used in the preparation of soft drinks; soft drinks” in

class 32, (6) United States Trademark Registration Number 2,950,372 (“the ’372 Registration”), filed on February 26, 2004 and registered on May 10, 2005 for the mark MOUNTAIN DEW BAJA BLAST covering “soft drinks, and syrups and concentrates for making the same” in class 32, (7) United States Trademark Registration Number 2,803,790 (“the ’790 Registration”), filed on December 12, 2002 and registered on January 6, 2004 for the mark MOUNTAIN DEW LIVEWIRE covering “soft drinks, and syrups and concentrates for making the same” in class 32, (8) United States Trademark Registration Number 3,664,996 (“the ’996 Registration”), filed on November 11, 2008 and registered on August 4, 2009 for the mark MOUNTAIN DEW THROWBACK covering “concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32, (9) United States Trademark Registration Number 3,673,766 (“the ’766 Registration”), filed on November 21, 2007 and registered on August 25, 2009 for the mark MOUNTAIN DEW BLUE SHOCK FREEZE covering “semi-frozen soft drinks” in class 32, (10) United States Trademark Registration Number 1,335,820 (“the ’820 Registration”), filed on November 1, 1984 and registered on May 14, 1985 for the mark DIET MOUNTAIN DEW covering “soft drinks” in class 32, (11) United States Trademark Registration Number 3,145,625 (“the ’625 Registration”), filed on March 7, 2006 and registered on September 19, 2006 for the mark DIET MOUNTAIN DEW covering “soft drinks” in class 32, (12) United States Trademark Registration Number 2,694,168 (“the ’168 Registration”), filed on January 30, 2002 and registered on March 4, 2003 for the mark DIET MOUNTAIN DEW CODE RED covering “soft drinks” in class 32, (13) United States Trademark Registration Number 4,876,016 (“the ’016 Registration”), filed on March 27, 2015 and registered on December 22, 2015 for the mark MTN DEW BLACK LABEL covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32, (14) United States Trademark Registration Number 3,693,935 (“the ’935

Registration”), filed on October 6, 2008 and registered on October 6, 2009 for the mark DIET MTN DEW covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32, (15) United States Trademark Registration Number 3,694,026 (“the ’026 Registration”), filed on November 12, 2008 and registered on October 6, 2009 for the mark DIET MTN DEW covering “Soft drinks” in class 32, (16) United States Trademark Registration Number 3,694,027 (“the ’027 Registration”), filed on November 12, 2008 and registered on October 6, 2009 for the mark DIET MTN DEW covering “Soft drinks” in class 32, (17) United States Trademark Registration Number 4,455,405 (“the ’405 Registration”), filed on April 12, 2011 and registered on December 24, 2013 for the mark MTN DEW KICKSTART covering “Concentrates, syrups or powders used in the preparation of soft drinks; soft drinks” in class 32, (18) United States Trademark Registration Number 3,330,331 (“the ’331 Registration”), filed on March 8, 2007 and registered on November 6, 2007 for the mark MOUNTAIN DEW GAME FUEL covering “soft drinks, and syrups and concentrates for making the same” in class 32, (19) United States Trademark Registration Number 3,982,749 (“the ’749 Registration”), filed on September 3, 2010 and registered on June 21, 2011 for the mark DIET MTN DEW SUPERNOVA covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32, (20) United States Trademark Registration Number 3,982,750 (“the ’750 Registration”), filed on September 3, 2010 and registered on June 21, 2011 for the mark DIET MTN DEW VOLTAGE covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32, (21) United States Trademark Registration Number 4,010,537 (“the ’537 Registration”), filed on November 1, 2010 and registered on August 9, 2011 for the mark MTN DEW SUPERNOVA covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32, (22) United States Trademark Registration Number 4,161,396 (“the ’396

Registration”), filed on November 21, 2011 and registered on June 19, 2012 for the mark MTN DEW VOLTAGE covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32, (23) United States Trademark Registration Number 3,703,414 (“the ’414 Registration”), filed on January 7, 2009 and registered on October 27, 2009 for the mark MTN DEW GAME FUEL covering “Concentrates, syrups or powders used in the preparation of soft drinks; Soft drinks” in class 32 (hereinafter, collectively, the MOUNTAIN DEW Registrations) all registered in the name of PepsiCo. As counterclaims to PepsiCo’s opposition against Ole Smoky’s application for the mark OLE SMOKY MOUNTAIN DEW MOONSHINE, Ole Smoky hereby petitions to cancel the DEW SHINE Registrations and the MOUNTAIN DEW Registrations.

The specific grounds for these counterclaims are as follows:

**Background Regarding the DEW SHINE Registrations
and MOUNTAIN DEW Registrations**

30. The term “moonshine” has frequently been associated with illegal trafficking of alcohol. During the prohibition days starting in the 1920s and subsequent years, moonshine was a desirable black market commodity because, as an unaged, high proof distilled spirit, it could be made and shipped quickly to a buyer. Around 2010, Ole Smoky opened the first Tennessee moonshine distillery in Tennessee. Ole Smoky now sells its moonshine products throughout the country and overseas and has become known as a preeminent source and seller of legal moonshine throughout the United States.

31. Moonshine is an unaged spirit that is best known to originate from Tennessee, North Carolina and other areas of Appalachia.
32. The illegal sale of moonshine during prohibition gave rise to the so-called “moonshine runners” in the 1930s and 1940s that would illegally transport large quantities of moonshine in highly modified stock cars to outrun authorities. Local racing of these highly modified moonshine runner cars were what gave rise to stock car racing in the 1940s which, in turn, gave birth to the now famous National Association for Stock Car Auto Racing (a/k/a NASCAR).
33. The term “shine” is often used as a shortened version of the word “moonshine” and is understood by the public and the trade in general to refer to moonshine.
34. PepsiCo has attempted to capitalize on the recent popularity of moonshine by naming one of its new products MTN DEW DEW SHINE or DEWSHINE which falsely suggests to the public that such product is moonshine or other high proof alcoholic beverage because of the inclusion of the term “shine” in the product name, the fact that “moonshine” rhymes with “dew shine” or “dewshine”, and the marketing efforts surrounding PepsiCo’s products sold under these marks. One has to travel no farther than PepsiCo’s webpage for its MTN DEW DEW SHINE and DEWSHINE products which prominently reads in bold type, “AVAILABLE LEGALLY FOR THE FIRST TIME”, suggesting that the product is actual moonshine.

35. The PepsiCo website goes on to show a set of images in a digital book referred to as “THE MTN DEW DEWSHINE STORY” which includes multiple images of a stock car racing down a dirt road carrying jugs, clearly alluding to a moonshine runner from the 1930s and 1940s running moonshine. The final page of the digital book states, “So turn the page and feast your eyes on new MOUNTAIN DEW DEWSHINE: a whole new DEW, available legally for the first time,” falsely suggesting to the public that this product is moonshine.
36. PepsiCo has alleged that Ole Smoky’s OLE SMOKY MOUNTAIN DEW MOONSHINE mark resembles PepsiCo’s MOUNTAIN DEW marks, including the MTN DEW DEW SHINE mark, and that Ole Smoky’s OLE SMOKY MOUNTAIN DEW MOONSHINE mark is likely to cause confusion with the MTN DEW DEW SHINE mark.
37. Ole Smoky and the public at large will be damaged by continued registration of the DEWSHINE Registrations because consumers will be deceived into believing that PepsiCo’s products sold under the mark DEWSHINE or the mark MTN DEW DEW SHINE contain moonshine in competition with Ole Smoky’s moonshine products.

MTN DEW DEW SHINE Is Deceptive and Deceptively Misdescriptive

38. The application for the mark which led to the ’423 Registration was first filed on July 31, 2014, and the mark MTN DEW DEW SHINE was allegedly first used by PepsiCo or its licensee(s) on March 30, 2015. As such, because the ’423 Registration is less than five years old, the ’423 Registration may be cancelled pursuant to section 2(e)(1) of the Lanham Act if the mark is deceptively misdescriptive.

39. The mark MTN DEW DEW SHINE has been in use by PepsiCo for less than two years and has not acquired distinctiveness.
40. The mark MTN DEW DEW SHINE misdescribes a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the '423 Registration. More specifically, because the mark is MTN DEW DEW SHINE wherein DEW SHINE rhymes with the term "moonshine" and includes "-shine" indicating the presence of moonshine or some high proof alcoholic beverage, the name at least misdescribes the composition of the product being sold under the mark suggesting that such product actually is moonshine or otherwise includes alcohol content when, in fact, it does not.
41. Because of the misdescription caused by use of the MTN DEW DEW SHINE mark for PepsiCo's goods, prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol.
42. Because the mark MTN DEW DEW SHINE misdescribes a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the '423 Registration and because prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol, the use of the mark MTN DEW DEW SHINE by PepsiCo for PepsiCo's goods is deceptively misdescriptive under section 2(e)(1) of the Lanham Act and the '423 Registration should, therefore, be cancelled.

43. The misdescription of the MTN DEW DEW SHINE product is likely to affect the decision to purchase the product because moonshine and other similar alcoholic beverages are more expensive than soft drinks and moonshine and soft drinks have different characteristics.
44. Because the mark MTN DEW DEW SHINE misdescribes a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the '423 Registration, because prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol, and because the misdescription is likely to affect the decision to purchase the product, the use of the mark MTN DEW DEW SHINE by PepsiCo for PepsiCo's goods is deceptive under section 2(a) of the Lanham Act and the '423 Registration should, therefore, be cancelled.

DEWSHINE Is Deceptive and Deceptively Misdescriptive

45. The application for the mark which led to the '710 Registration was first filed January 27, 2015, and the mark DEWSHINE was allegedly first used by PepsiCo or its licensee(s) on April 1, 2015, less than two years ago. As such, because the '710 Registration is less than five years old, the '710 Registration may be cancelled pursuant to section 2(e)(1) of the Lanham Act if the mark is deceptively misdescriptive.
46. The mark DEWSHINE has been in use by PepsiCo for less than two years and has not acquired distinctiveness.

47. The mark DEWSHINE misdescribes a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the '710 Registration. More specifically, because the mark is DEWSHINE which rhymes with the term "moonshine" and includes "-shine" indicating the presence of moonshine or some high proof alcoholic beverage, the name at least misdescribes the composition of the product being sold under the mark suggesting that such product actually is moonshine or otherwise includes alcohol content when, in fact, it does not.
48. Because of the misdescription caused by use of the DEWSHINE mark for PepsiCo's goods, prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol.
49. Because the mark DEWSHINE misdescribes a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the '710 Registration and because prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol, the use of the mark DEWSHINE by PepsiCo for PepsiCo's goods is deceptively misdescriptive under section 2(e)(1) of the Lanham Act and the '710 Registration should, therefore, be cancelled.

50. The misdescription of the DEWSHINE product is likely to affect the decision to purchase the product because moonshine and other similar alcoholic beverages are more expensive than soft drinks and moonshine and soft drinks have different characteristics.
51. Because the mark DEWSHINE misdescribes a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the '710 Registration, because prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol, and because the misdescription is likely to affect the decision to purchase the product, the use of the mark DEWSHINE by PepsiCo for PepsiCo's goods is deceptive under section 2(a) of the Lanham Act and the '710 Registration should, therefore, be cancelled.

Background Regarding the MOUNTAIN DEW Registrations

52. The Merriam-Webster online dictionary defines "mountain dew" as "moonshine" and lists "bootleg", "moonshine", and "white lightning" as synonyms of "mountain dew".
53. One of Opposer's predecessors prosecuted a U.S. trademark application (U.S. App. No. 568,618) which was refused during prosecution because the examiner handling the application deemed that use of the prominent phrase "mountain dew" designating soft drinks and syrups was deceptive because "mountain dew" as defined by Webster's New International Dictionary (2nd Ed.) referred to "whiskey, esp. Scotch Whiskey, illicitly distilled among the mountains." The applicant, Hartman Beverage Company (PepsiCo's

predecessor), disclaimed the phrase “mountain dew” and argued the following: “Of course, everybody knows that applicant is not selling whiskey.”

MOUNTAIN DEW CODE RED Is Deceptively Misdescriptive

54. The application for the mark which led to the '395 Registration was first filed November 21, 2011, and became registered on June 19, 2012. As such, because the '395 Registration is less than five years old, the '395 Registration may be cancelled pursuant to section 2(e)(1) of the Lanham Act if the mark is deceptively misdescriptive.
55. The mark MOUNTAIN DEW CODE RED has not acquired distinctiveness.
56. The mark MOUNTAIN DEW CODE RED misdescribes a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the '395 Registration. More specifically, because the mark is MOUNTAIN DEW CODE RED which includes the prominent term “mountain dew” indicating the presence of moonshine or some high proof alcoholic beverage, the name at least misdescribes the composition of the product being sold under the mark suggesting that such product actually is moonshine or otherwise includes alcohol content when, in fact, it does not.
57. Because of the misdescription caused by use of the MOUNTAIN DEW CODE RED mark for PepsiCo's goods, prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol.

58. Because the mark MOUNTAIN DEW CODE RED misdescribes a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the '395 Registration and because prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol, the use of the mark MOUNTAIN DEW CODE RED by PepsiCo for PepsiCo's goods is deceptively misdescriptive under section 2(e)(1) of the Lanham Act and the '395 Registration should, therefore, be cancelled.

The Marks of the MOUNTAIN DEW Registrations Are Deceptive

59. The marks of the MOUNTAIN DEW registrations misdescribe a characteristic, quality, function, composition or use of the goods sold by PepsiCo under the MOUNTAIN DEW Registrations. More specifically, because the marks of the MOUNTAIN DEW Registrations each include either the term "mountain dew" or the term "mtn dew", the inclusion of such terms indicates the presence of moonshine or some high proof alcoholic beverage. Therefore, such marks misdescribe the composition of the products being sold under each mark suggesting that such products actually are moonshine or otherwise include alcohol content when, in fact, they do not.

60. Because of the misdescription caused by use of the marks of the MOUNTAIN DEW Registrations for PepsiCo's goods, prospective purchasers are likely to believe that the

misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol.

61. The misdescription of the products sold under the MOUNTAIN DEW Registrations is likely to affect the decision to purchase the products because moonshine and other similar alcoholic beverages are more expensive than soft drinks and moonshine and soft drinks have different characteristics.

62. Because the marks of the MOUNTAIN DEW Registrations misdescribe a characteristic, quality, function, composition or use of the goods sold by PepsiCo under such registrations, because prospective purchasers are likely to believe that the misdescription actually describes PepsiCo's goods when in fact the goods are not moonshine or whiskey and do not contain alcohol, and because the misdescription is likely to affect the decision to purchase the product, the use of the marks of the MOUNTAIN DEW Registrations by PepsiCo for PepsiCo's goods is deceptive under section 2(a) of the Lanham Act and the MOUNTAIN DEW Registrations should, therefore, be cancelled.

WHEREFORE, Ole Smoky prays that this Honorable Board permit Ole Smoky to register the mark OLE SMOKY MOUNTAIN DEW MOONSHINE for its goods, sustain the counterclaims in Ole Smoky's favor, cancel the DEW SHINE Registrations, cancel the MOUNTAIN DEW Registrations and grant all further and favorable relief to Ole Smoky that it deems proper in this case.

Respectfully submitted this 6th day of January, 2017.

ROBINSON IP LAW, PLLC

By: Michael E. Robinson

Michael E. Robinson
Matthew M. Googe
9724 Kingston Pike, Suite 1403
Knoxville, TN 37922
(865) 978-6480

Attorneys for Applicant/Counterclaim Plaintiff

Ole Smoky Distillery, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing, ANSWER AND COUNTERCLAIMS, was served on the attorney for Opposer / Counterclaim Defendant via U.S. Mail in an envelope with sufficient postage addressed to:

Paul J. Reilly
Lauren Beth Emerson
BAKER BOTTS L.L.P.
30 Rockefeller Plaza
New York, New York 10112-4498

on January 6th, 2017

By: Michael E. Robinson
Michael E. Robinson