

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

Mailed: July 12, 2018

Opposition No. 91236481

HRHH IP, LLC

v.

Pinnacle Entertainment, Inc.

Christen M. English, Interlocutory Attorney:

This case now comes up on Opposer's motion, filed March 5, 2018, to strike the first, second, fourth, sixth, seventh, and eighth affirmative defenses in Applicant's answer, filed February 9, 2018. The motion is fully briefed.

Timeliness of Opposer's Motion

A motion to strike should be filed within twenty-one days of service of an answer on a party. Fed. R. Civ. P. 12(f); TBMP § 506.02 (2018). To be timely, Opposer would have had to file its motion on or before March 2, 2018. Accordingly, Opposer's motion, filed March 5, 2018, is untimely. But the Board has the discretion to consider an untimely motion to strike, and exercises that discretion here. Fed. R. Civ. P. 12(f); *see also, Am. Vitamin Prods. Inc. v. Dow Brands Inc.*, 22 USPQ2d 1313, 1314 (TTAB 1992) (“[T]he Board, in its discretion, may entertain an untimely motion to strike matter from a pleading.”).

Merits of Opposer's Motion

The Board has carefully considered the parties' arguments and does not recount the facts or arguments here, except as necessary to explain the decision.

The Board may strike from a pleading any insufficient defense, or any redundant, immaterial, impertinent or scandalous matter. Fed. R. Civ. P. 12(f); *Am. Vitamin Prods.*, 22 USPQ2d at 1314; TBMP § 506.01. Motions to strike are not favored, and therefore, a defense will not be stricken as insufficient if the insufficiency is not clearly apparent, or if it raises factual issues that should be determined on the merits. *Ohio State Univ. v. Ohio Univ.*, 51 USPQ2d 1289, 1292 (TTAB 1999). Moreover, the primary purpose of the pleadings is to give fair notice of the claims or defenses asserted. *Id.*; TBMP § 311.02(b). Thus, the Board may decline to strike even objectionable pleadings where their inclusion will not prejudice the adverse party, but rather will provide fuller notice of the basis for a claim or defense. *Ohio State Univ.*, 51 USPQ2d at 1292.

Affirmative Defense 1: "HRHH's Opposition fails to state a claim upon which relief may be granted."

A defendant may assert in an answer the "defense" of failure to state a claim upon which relief can be granted, but a plaintiff is allowed to test the sufficiency of such a defense before trial by filing a motion to strike. Fed. R. Civ. P. 12(h)(2); *Order of Sons of Italy in Am. v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1222 (TTAB 1995).

To state a claim upon which relief can be granted, a plaintiff need only allege such facts as would, if proved, establish that: (1) it has standing to maintain the


proceeding, and (2) a valid ground exists for opposing registration of the mark. *See Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 187 (CCPA 1982). Specifically, a complaint “must contain sufficient factual matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). In particular, a plaintiff must allege well-pleaded factual matter and more than “[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements,” to state a claim plausible on its face. *Id.* (citing *Twombly*, 550 U.S. at 555). Further, all of the plaintiff’s well-pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to the plaintiff. *See, e.g., Advanced Cardiovascular Sys. Inc. v. SciMed Life Sys. Inc.*, 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993); *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1538 (TTAB 2007).

Applicant seeks registration of the mark AMERICAN VINYL, in standard characters, for “entertainment services in the nature of live musical performances; entertainment services in the nature of live visual and audio performances by actors, acrobats, musicians, singers, musical groups, dancers, and comedians; entertainment services in the nature of live musical, dance, theatrical and comedy performances; entertainment services in the nature of presenting live musical performances; entertainment services in the nature of production of a musical and variety show; entertainment services in the nature of live visual and audio performances, namely, a variety show; entertainment services in the nature of live

visual and audio performances, namely, a musical show.”¹ In its notice of opposition, Opposer pleads priority and likelihood of confusion under Section 2(d) of the Trademark Act dilution by blurring under Section 43(c) of the Trademark Act.²

To sufficiently plead a claim under Section 2(d) of the Trademark Act, “Opposer need only allege it has valid proprietary rights that are prior to those of Applicant, or that it owns a registration which Applicant has not counterclaimed to cancel, and that Applicant’s mark so resembles Opposer’s mark as to be likely to cause confusion.” *Nike, Inc. v. Palm Beach Crossfit Inc.*, 116 USPQ2d 1025, 1028 (TTAB 2015). In the notice of opposition, Opposer alleges prior use and registration of the



marks VINYL and  for various entertainment-related services, and that Applicant’s mark is likely to cause confusion therewith. 1 TTABVUE 7-9, ¶¶ 2-4 and 8-10. These allegations are sufficient to plead both Opposer’s standing and a claim for priority and likelihood of confusion. *Barbara’s Bakery Inc. v. Landesman*, 82 USPQ2d 1283, 1285 (TTAB 2007).

To sufficiently allege a claim of dilution with respect to an intent-to-use application, like the one involved here, Opposer must allege that: (1) its mark is

¹ Application Serial No. 87088678, filed June 29, 2016, based on an allegation of an intent to use the mark for the identified services.

² The ESTTA coversheet to the notice of opposition also indicates an intent to plead that Applicant’s mark is primarily geographically deceptively misdescriptive under Section 2(e)(3) of the Trademark Act. But there are no allegations in the notice of opposition related to such a claim, and therefore, the designation of this claim in the ESTTA coversheet will be given no consideration.

famous; (2) the mark became famous prior to the filing date of Applicant's intent-to-use application; and (3) Applicant's mark is likely to blur or tarnish the distinctiveness of Opposer's famous mark. *Nat'l Pork Board v. Supreme Lobster and Seafood Co.*, 96 USPQ2d 1479, 1494-95 (TTAB 2010); *Toro Co. v. ToroHead Inc.*, 61 USPQ2d 1164, 1173-1184 (TTAB 2001). Opposer has pleaded each of these elements in paragraphs 11-13.

In view of the foregoing, Opposer's motion is **granted** with respect to Affirmative Defense 1, which is **stricken**.³

Affirmative Defense 2:

HRHH's Opposition fails to acknowledge that multiple registrations exist with the United States Trademark Office which are based upon or incorporate the term 'Vinyl', and therefore HRHH's opposition to the Application is barred by the doctrines of laches, acquiescence and/or equitable estoppel.

The doctrines of laches, acquiescence and estoppel may be invoked only by one who has been prejudiced by the conduct relied upon to create the laches, acquiescence or estoppel. Accordingly, a party may not base such affirmative defenses on the purported rights of third-parties with whom it is not in privity, as Applicant attempts to do here.⁴ *See, e.g., Plus Prods. v. Pharmavite Pharm. Corp.*,

³ Whether Opposer can prove its allegations is an issue for trial. *Advanced Cardiovascular Sys.*, 26 USPQ2d at 1041; *Fair Indigo*, 85 USPQ2d at 1538.

⁴ In its third affirmative defense, Applicant also pleads that "multiple mark registrations exist with the United States Trademark Office which are based upon or incorporate the term 'Vinyl,'" but in this affirmative defense, Applicant goes on to plead that "such third party uses of similar marks for similar goods render HRHH's mark registrations weak and entitled to a narrow scope of protection." 12 TTABVUE 4. Opposer has not moved to strike this affirmative defense, and rightfully so, as this paragraph amplifies the basis for the denials in Applicant's answer.

221 USPQ 256, 258 (TTAB 1984); *Textron, Inc. v. Gillette Co.*, 180 USPQ 152, 154 (TTAB 1973) (internal citations omitted). In addition, laches, acquiescence and estoppel are separate and distinguishable affirmative defenses, and a party seeking to assert them must plead the elements specific to each defense.⁵ Applicant has not done that here.

For these reasons, Opposer's motion to strike Affirmative Defense 2 is **granted** and this affirmative defense is **stricken without prejudice**.

Affirmative Defenses 4 and 6:

HRHH cannot establish a likelihood of confusion between HRHH's mark registrations and Pinnacle's sought-after application for the mark AMERICAN VINYL.

HRHH cannot establish that registration of Pinnacle's sought-after application for the mark AMERICAN VINYL will cause actual dilution of one or more of HRHH's mark registrations.

These paragraphs are not affirmative defenses or amplifications of Applicant's denials, but rather mere reiterations of the denials in Applicant's answer. Because

⁵ The elements of a laches defense are unreasonable delay in the assertion of one's rights against another and material prejudice to the latter attributable to the delay. *See Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes Inc.*, 23 USPQ2d 1701, 1703 (Fed. Cir. 1992). The elements of equitable estoppel are: (1) misleading conduct, which may include not only statements and actions 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. And a party seeking to allege acquiescence must plead that: (1) the plaintiff actively represented that it would not assert a right or a claim; (2) the delay between the active representation and assertion of the right or claim was not excusable; and (3) the delay caused the defendant undue prejudice. *See Coach House Rest. Inc. v. Coach and Six Rests., Inc.*, 934 F.2d 1551, 1564, 19 USPQ2d 1401, 1409 (11th Cir. 1991). **Applicant should note** that the affirmative defenses of laches, acquiescence and estoppel are **severely limited** in opposition proceedings because they start to run from the date the involved application was published for opposition. *Lincoln Logs*, 23 USPQ2d at 1703; *Nat'l Cable Television Assoc. v. Am. Cinema Editors Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991).

Affirmative Defenses 4 and 6 merely reaffirm Applicant's denials of Opposer's likelihood of confusion and dilution claims, and add nothing of substance to Applicant's answer, Opposer's motion is **granted** with respect to Affirmative Defenses 4 and 6, which are **stricken**. *See, e.g., Order of Sons of Italy*, at 1223; *Textron*, 180 USPQ at 154.

Affirmative Defense 7:

Pinnacle should be entitled to registration of the mark AMERICAN VINYL as set forth in the Application, insofar as Pinnacle has sufficiently narrowed the scope of the services identified in the Application so as to eliminate any possible confusion or dilution as to the scope of services provided by HRHH in association with its mark registrations; or, in the alternative, the identified services in Pinnacle's Application may be sufficiently narrowed so as to eliminate any possible confusion or dilution as to the scope of services provided by HRHH in association with its marks.

The portion of Affirmative Defense 7 that precedes the semicolon is an amplification of Applicant's denial that there is no likelihood of confusion or dilution between the parties' marks. Accordingly, this language is allowed to stand. But that portion of Affirmative Defense 7 after the semicolon is insufficient.

Under Section 18 of the Trademark Act, a defendant may assert an affirmative defense proposing to restrict its identification of goods or services, but "the proposed restriction must be set forth in sufficient detail and with an explanation or allegation as to how the restriction alleviates the likelihood of confusion." *Embarcadero Techs. Inc. v. RStudio Inc.*, 105 USPQ2d 1825, 1828 (TTAB 2013). Affirmative Defense 7 does not meet these requirements as Applicant has not pleaded any specific restriction to its identification of services.

In view of the foregoing, Opposer's motion to strike is **denied, in part**, with respect to the language preceding the semicolon in Affirmative Defense 7, but **granted, in part**, with the respect to the language after the semicolon, which is **stricken without prejudice**.⁶

Affirmative Defense 8:

In accordance with the provisions of TBMP § 318 and Fed. R. Civ. P. 11, at the time of the filing of this Answer and Affirmative Defenses, all possible affirmative defenses may not have been alleged inasmuch as sufficient facts and relevant information has not been available after reasonable inquiry under the circumstances, and therefore, Pinnacle reserves its right to amend this Answer and Affirmative Defenses to allege additional affirmative defenses if subsequent investigation and discovery so warrants.

This allegation is not a true affirmative defense nor does it amplify Respondent's denials. Instead, it merely incorporates the principle of Fed. R. Civ. P. 15 that leave to amend a pleading "should [be] freely give[n] when justice so requires." Accordingly, Opposer's motion to strike is **granted** with respect to Affirmative Defense 8, which is **stricken**.⁷

⁶ Specifically the following language is stricken: "or, in the alternative, the identified services in Pinnacle's Application may be sufficiently narrowed so as to eliminate any possible confusion or dilution as to the scope of services provided by HRHH in association with its marks."

⁷ The striking of this paragraph does not prevent Applicant from seeking leave to amend its answer should it uncover facts during the course of this proceeding that give rise to an affirmative defense or counterclaim.

Summary and Resumption of Proceedings

Opposer's motion is **denied, in part**, with respect to a portion of Affirmative Defense 7, as set forth above. Opposer's motion is **otherwise granted**.⁸

Proceedings are resumed and dates are reset as follows:

Deadline for Discovery Conference	8/9/2018
Discovery Opens	8/9/2018
Initial Disclosures Due	9/8/2018
Expert Disclosures Due	1/6/2019
Discovery Closes	2/5/2019
Plaintiff's Pretrial Disclosures Due	3/22/2019
Plaintiff's 30-day Trial Period Ends	5/6/2019
Defendant's Pretrial Disclosures Due	5/21/2019
Defendant's 30-day Trial Period Ends	7/5/2019
Plaintiff's Rebuttal Disclosures Due	7/20/2019
Plaintiff's 15-day Rebuttal Period Ends	8/19/2019
Plaintiff's Opening Brief Due	10/18/2019
Defendant's Brief Due	11/17/2019
Plaintiff's Reply Brief Due	12/2/2019
Request for Oral Hearing (optional) Due	12/12/2019

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

⁸ In its motion, Applicant requests time to replead if the Board finds any of its affirmative defenses "insufficient." 16 TTABVUE 2 and 8. Applicant may not replead Affirmative Defenses 1, 4, 6, and 8. Moreover, based on the record before the Board, there is no indication that Applicant possesses facts giving rise to Affirmative Defense 2 or that portion of Affirmative Defense 7 stricken without prejudice. Indeed, the affirmative defenses of laches, acquiescence or estoppel would appear to be very difficult to plead here given that Opposer filed its notice of opposition a mere four months after Applicant's application was published for opposition. Accordingly, Applicant's request for leave to replead is **denied**. If Applicant believes it has sufficient facts to replead an affirmative defense stricken without prejudice, Applicant may renew its request for leave to replead pursuant to Fed. R. Civ. P. 15.

requirements relevant to the trial phase of Board proceedings are set forth in Trademark Rules 2.121 through 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). 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).