

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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EJW

June 1, 2019

Opposition No. 91244449

Lucasfilm Entertainment Company Ltd. LLC

v.

Ilan Moskowitz aka Captain Contingency

ELIZABETH J. WINTER, INTERLOCUTORY ATTORNEY:

This case now comes up for consideration of Opposer's fully briefed motions (filed December 21, 2018 and on January 17, 2019) to strike Applicant's affirmative defenses.

The Board has considered the parties' briefs on the contested motions, but does not repeat or discuss all of the arguments. *Guess? IP Holder LP v. Knowlux LLC*, 116 USPQ2d 2018, 2019 (TTAB 2015). For purposes of this order, the Board presumes the parties' familiarity with the pleadings and the parties' arguments made in connection with the subject motions.

By way of background, in its first motion to strike, Opposer sought to strike all of Applicant's pleaded "affirmative defenses," namely, (1) failure to state a claim; (2) laches, waiver, estoppel, and/or acquiescence; (3) abandonment; (4) mistake; and (5) defense of free speech rights. In response to Opposer's motion, Applicant filed a

motion to amend his answer, as well as his Amended Answer to Notice of Opposition, which includes the same affirmative defenses, but with additional allegations in support thereof. In view of Applicant's submission of an amended pleading, Opposer's first motion to strike is moot, and Applicant's amended answer filed on December 28, 2019 is accepted as his pleading of record. *See* Fed. R. Civ. P. 15(a)(1)(B); Trademark Rule 2.116(a), 37 C.F.R. § 2.116(a). Accordingly, the Board turns to Opposer's second motion to strike by which Opposer seeks to strike all five of Applicant's asserted "defenses."

Legal Standard for Motion to Strike

Pursuant to Fed. R. Civ. P. 12(f), which is applicable to Board proceedings under Trademark Rule 2.116(a),¹ the Board may order stricken from a pleading any insufficient defense, or any redundant, immaterial, impertinent or scandalous matter. *See Alcatraz Media, Inc. v. Chesapeake Marine Tours, Inc.*, 107 USPQ2d 1750, 1753 n.6 (TTAB 2013), *aff'd*, 565 F. App'x 900 (Fed. Cir. 2014); *see also* Trademark Trial and Appeal Board Manual of Procedure ("TBMP") § 506 (2018). Motions to strike are not favored, and matter will not be stricken unless it clearly has no bearing upon the issues in the case. *See, e.g., Ohio State University v. Ohio University*, 51 USPQ2d 1289, 1293 (TTAB 1999); *Internet Inc. v. Corp. for Nat'l Research Initiatives*, 38 USPQ2d 1435, 1438 (TTAB 1996); *Am. Vitamin Prods., Inc. v. Dow Brands Inc.*, 22 USPQ2d 1313, 1314 (TTAB 1992).

¹ Trademark Rule 2.116(a) provides that "[e]xcept as otherwise provided, and wherever applicable and appropriate, procedure and practice in *inter partes* proceedings shall be governed by the Federal Rules of Civil Procedure."

Inasmuch as the primary purpose of pleadings under the Federal Rules of Civil Procedure is to give fair notice of the claims or defenses asserted, 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. *See, e.g., Order of Sons of Italy in America v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1223 (TTAB 1995) (amplification of applicant's denial of opposer's claims not stricken). Further, 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. *See generally*, Wright & Miller, 5C Fed. Prac. & Proc. Civ. § 1381 (3d ed. Nov. 2018 update).

Board's Analysis and Order

- **Preliminary Matter**

Applicant requests in its third affirmative defense that the Board institute a cancellation proceeding with respect to Opposer's registration for MILLENNIUM FALCON, and that the Board waive the filing fee for the proceeding because Applicant is representing himself in this proceeding.

In the first instance, a filing fee is required for filing a petition to cancel (or counterclaim) under Trademark Rule 2.6(a)(16). The Board has no authority to waive this fee. *See Forest Laboratories Inc. v. G.D. Searle & Co.*, 52 USPQ2d 1058 (TTAB 1999). Moreover, the Board cannot institute any type of proceeding without the submission of a complaint by the plaintiff. *See Trademark Rules 2.101 et seq.* and *2.111 et seq.* Accordingly, Applicant's requests in its affirmative defense that the

Board institute a cancellation proceeding on his behalf and waive the filing fee therefor are **DENIED**.

- **Affirmative Defense No. 1: Failure to State a Claim**

Opposer's motion to strike Applicant's defense that the notice of opposition fails to state a claim is **GRANTED**. Opposer's pleading sets forth sufficient claims of likelihood of confusion and dilution. In view thereof, Applicant's first affirmative defense is **stricken**. *See* Fed. R. Civ. P. 12(f).

- **Affirmative Defense No. 2: Laches, Waiver, Estoppel, and/or Acquiescence**

Affirmative defenses, like claims in a notice of opposition, must be supported by enough factual background and detail to fairly place the opposer on notice of the basis for the defenses. *See IdeasOne Inc. v. Nationwide Better Health Inc.*, 89 USPQ2d 1952, 1953 (TTAB 2009); *Ohio State Univ. v. Ohio Univ.*, 51 USPQ2d 1289, 1292 (TTAB 1999) (primary purpose of pleadings "is to give fair notice of the claims or defenses asserted"); *Midwest Plastic Fabricators Inc. v. Underwriters Laboratories Inc.*, 5 USPQ2d 1067, 1069 (TTAB 1987) (pleading of unclean hands insufficient as answer did not include "specific allegations of conduct by petitioner that, if proved, would prevent petitioner from prevailing on its claim; instead, the allegations of the fourth affirmative defense are either unclear, non-specific, irrelevant to the pleading of unclean hands, or merely conclusory in nature"). A party must allege sufficient facts beyond a tender of 'naked assertion[s]' devoid of 'further factual enhancement,' to support its claims. *Ashcroft v. Iqbal*, 556 U.S. 662, 663 (2009) (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)).

Applicant has added an allegation to its answer to support its purported defenses, namely, that Opposer “has allowed others to use trademarks that are the same or similar to its alleged MILLENNIUM FALCON trademark and therefore failed to maintain any trademark rights it may have had ... thus barring [the] opposition under the doctrines of Laches, Waiver, Estoppel, and/or Acquiescence.” Although Applicant implies that Opposer has engaged in naked licensing, for the following reasons, the amended defense fails to set forth a sufficient defense for any of the identified equitable doctrines.

Turning first to “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 set forth any allegations to indicate that there was a prior agreement between the parties regarding Applicant’s use of its mark.

With respect to estoppel and acquiescence, a plaintiff’s claim may be barred under the doctrine of estoppel if the defendant alleges and proves (1) plaintiff’s misleading conduct, 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. *Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes, Inc.*, 971 F.2d 732, 23 USPQ2d 1701, 1703 (Fed. Cir. 1992) (In an

opposition proceeding, the equitable estoppel defense must be tied to the registration of applicant's marks, not applicant's use of its marks.) *Id.*

Similarly, “acquiescence is a type of estoppel that is based upon the plaintiff's conduct that expressly or by clear implication consents to, encourages, or furthers the activities of the defendant that is not objected to.” *The Christian Broadcasting Network, Inc. v. ABS-CBN International*, 84 USPQ2d 1560 (TTAB 2007). To establish the defense of acquiescence, the defendant (here, Applicant) must prove that plaintiff's conduct amounted to “an assurance by the plaintiff to the defendant, either express or implied that plaintiff will not assert his trademark rights against the defendant.” *CBS, Inc. v. Man's Day Publishing Company, Inc.*, 205 USPQ 470 (TTAB 1980). Acquiescence, then, requires that the defendant allege and prove three elements: (1) that plaintiff actively represented that it would not assert a right or a claim; (2) that the delay between the active representation and assertion of the right or claim was not excusable; and (3) that the delay caused defendant undue prejudice. *Coach House Restaurant Inc. v. Coach and Six Restaurants, Inc.*, 934 F.2d 1551, 19 USPQ2d 1401, 1409 (11th Cir. 1991) (acquiescence requires active consent); *see also Hitachi Metals Int'l, Ltd. v. Yamakyu Chain Kabushiki Kaisha*, 209 USPQ 1057 (TTAB 1981).

Applicant has not set forth any allegations that, if proven, would show that Opposer “acquiesced” to Applicant's use or registration of the applied-for mark, or that Opposer's claims should be barred under the doctrine of equitable estoppel.

As regards Applicant's putative laches defense, such defense is not available for this opposition proceeding. In an opposition, where the objection is to the issuance of a registration of a mark, laches starts to run when the mark in question is published for opposition. *Panda Travel Inc. v. Resort Option Enterprises Inc.*, 94 USPQ2d 1789, 1797 (TTAB 2009) (citing *National Cable Television Association Inc. v. American Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991); *Teledyne Technologies Inc. v. Western Skyways Inc.*, 78 USPQ2d 1203, 1210 n.10 (TTAB 2006)). Further, the mere passage of time does not constitute laches. *Advanced Cardiovascular Systems v. SciMed Life Systems*, 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993). Here, because Opposer timely filed its notice of opposition, laches is not available.

In view of the foregoing, to the extent Applicant alleges the defenses of laches, waiver, estoppel, and/or acquiescence, Applicant's second affirmative defense is also **STRICKEN**. See Fed. R. Civ. P. 12(f). Accordingly, Opposer's motion to strike Applicant's second affirmative defense is **GRANTED**.

- **Affirmative Defense No. 3: Abandonment**

Applicant's allegation that Opposer is not using and has abandoned its pleaded mark MILLENNIUM FALCON with respect to the goods recited in one or more of its registrations is hereby **STRICKEN**. The putative defense is a collateral attack on Opposer's registration(s) and must be set forth in a counterclaim to cancel the registration, which Applicant has not submitted. See Trademark Rule 2.106(b)(3).

Accordingly, Opposer's motion to strike Applicant's second affirmative defense is **GRANTED**.

- **Affirmative Defense No. 4: Mistake**

Applicant asserts that the opposition is barred in whole or in part because Opposer is mistaken as to the pertinent facts supporting the opposition. Applicant further contends that the opposition includes irrelevant allegations. "Mistake" is not an affirmative defense. Nonetheless, the Board finds that Applicant's allegations are merely an amplification of his denial of Opposer's claims. In view thereof, Opposer's motion to strike affirmative defense no. 4 is **DENIED**. See *Morgan Creek Productions Inc. v. Foria International Inc.*, 91 USPQ2d 1134, 1136 (TTAB 2009) (applicant's "affirmative defenses" for the most part amplified its denials of opposer's allegations regarding likelihood of confusion); *Order of Sons of Italy in America v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1223 (TTAB 1995) (motion to strike third affirmative defense denied because it was an amplification of a denial, giving fuller notice of the claim); TBMP § 311.02(d).

- **Affirmative Defense No. 5: Defense of Free Speech Rights**

To the extent Applicant alleges a defense of "parody," the reference does not raise a true "defense" to Opposer's claim of likelihood of confusion; instead, parody is simply another factor which is relevant to the analysis of likelihood of confusion. Indeed, the Board will usually assess alleged parody as part of the circumstances in determining whether a plaintiff has made out its claim. See, e.g., *Research in Motion Ltd. v. Defining Presence Marketing Grp. Inc.*, 102 USPQ2d 1187, 1191-92 (TTAB 2012); cf.

N.Y. Yankees P'ship v. IET Prods. & Servs., Inc., 114 USPQ2d 1497, 1509-10 (TTAB 2015) (explaining why the parody exclusion does not apply in dilution proceedings before the Board). Because parody is merely another way of arguing that confusion is not likely (*see, e.g., Starbucks U.S. Brands v. Ruben*, 78 USPQ2d 1741, 1754 (TTAB 2006); *Columbia Pictures Indus., Inc. v. Miller*, 211 USPQ 816, 820 (TTAB 1981)), this affirmative defense merely informs Opposer of one way Applicant will defend against the ground of likelihood of confusion. Accordingly, with respect to affirmative defense no. 5, Opposer's motion to strike is **DENIED**.

Summary; Trial Dates Reset

Opposer's motion to strike is **granted in part and denied in part**, as discussed herein.

Trial dates, including conferencing, disclosure due dates, and discovery, are reset as shown in the following schedule:

Deadline for Discovery Conference	7/1/2019
Discovery Opens	7/1/2019
Initial Disclosures Due	7/31/2019
Expert Disclosures Due	11/28/2019
Discovery Closes	12/28/2019
Plaintiff's Pretrial Disclosures Due	2/11/2020
Plaintiff's 30-day Trial Period Ends	3/27/2020
Defendant's Pretrial Disclosures Due	4/11/2020
Defendant's 30-day Trial Period Ends	5/26/2020
Plaintiff's Rebuttal Disclosures Due	6/10/2020

Plaintiff's 15-day Rebuttal Period Ends	7/10/2020
Plaintiff's Opening Brief Due	9/8/2020
Defendant's Brief Due	10/8/2020
Plaintiff's Reply Brief Due	10/23/2020
Request for Oral Hearing (optional) Due	11/2/2020

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).



THE FOLLOWING INFORMATION ON BOARD PROCEEDINGS IS PROVIDED AS A COURTESY TO APPLICANT:

- **Nature of an Opposition Proceeding**

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.**

- **Legal Representation Is Strongly Encouraged**

It should also be noted that while Patent and Trademark Rule 10.14 permits any person to represent him or herself, it is generally advisable for a person who is not acquainted with the technicalities of the procedural and substantive law involved in an opposition or cancellation proceeding to secure the services of an attorney who is familiar with such matters. The U.S. Patent and Trademark Office cannot aid in the selection of an attorney.

It is recommended that Applicant obtain a copy of the latest edition of Title 37 of the Code of Federal Regulations, which includes the Trademark Rules of Practice. These rules may be viewed at the USPTO's Trademarks page:

<https://www.uspto.gov/trademark/laws-regulations>. The Board's main webpage, <https://www.uspto.gov/trademarks-application-process/trademark-trial-and-appeal-board>, includes information on the Trademark Rules applicable to Board proceedings, on the Board's online systems, Alternative Dispute Resolution (ADR), Frequently Asked Questions about Board proceedings, and a web link to The Trademark Trial and Appeal Board Manual of Procedure (the TBMP).² Further, all Board proceedings and other information regarding the Trademark Trial and Appeal Board may be accessed at the following URLs: <http://ttabvue.uspto.gov/ttabvue/> and

<http://www.uspto.gov/trademarks/process/appeal/index.jsp>.

- **Electronic Submissions to the Board**

All submissions in Board proceedings must be made via ESTTA, the Electronic System for Trademark Trials and Appeals, and must be in compliance with Trademark Rules 2.126(a) and 2.126(b). *See* TBMP § 110.01. The ESTTA user manual, ESTTA forms, and instructions for their use are located at <http://estta.uspto.gov/>.

- **Requirement for Service on Adverse Party of All Papers Filed**

Trademark Rules 2.119(a) and (b) require that every paper filed in the Patent and Trademark Office in a proceeding before the Board must be served upon the attorney for the other party, or on the party if there is no attorney, and proof of such service must be made before the paper will be considered by the Board. Consequently, copies of all papers which Applicant may file in this proceeding (including for Applicant, the

² The TBMP may be accessed at the following URL: <https://tbmp.uspto.gov/RDMS/TBMP/current#/current/tbmpd0e18.html>.

answer required herein) must be accompanied by “proof of service” of a copy on the adverse party or the adverse party’s counsel if one is appointed.

"Proof of service" usually consists of a signed, dated statement attesting to the following matters: (1) the title or nature of the paper being served, (2) the method of service (*i.e.*, electronic mail), (3) the person being served and the email address used to effect service, and (4) the date of service. This written statement should take the form of a “certificate of service” which should read as follows:

The undersigned hereby certifies that a true and correct copy of the foregoing [insert title of document] was served upon Opposer by forwarding said copy, via email to: [insert email address].

The certificate of service must be signed³ and dated.

- **All Parties Must Comply with Board Deadlines**

While it is true that the law favors judgments on the merits wherever possible, it is also true that the Patent and Trademark Office is justified in enforcing its procedural deadlines. *Hewlett-Packard v. Olympus*, 18 USPQ2d 1710 (Fed. Cir. 1991). **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.**

- **Format of Submissions to the Board**

Applicant is reminded that all submissions to the Board should be double-spaced.

See Trademark Rule 2.126; TBMP § 106.03.

³ An electronic signature comprises a forward slash, “/”, placed before and after the typed name of the person actually signing the document. See Trademark Rule 2.193; see also TBMP §§ 106.02 and 106.03.

- **Applicant's Correspondence Address**

Applicant is reminded that it is its/her/his responsibility to ensure that the Board⁴ has its/her/his current correspondence address, including email address and telephone number. *See* TBMP § 117.07 (If a party fails to notify the Board of a change of address, with the result that the Board is unable to serve correspondence on the party, default judgment may be entered against the party).

- **General Information on Discovery Conferences**

Applicant is referred to the Board's institution order in this proceeding and to the following URL:

http://www.uspto.gov/trademarks/process/appeal/RULES08_01_07.pdf, see, e.g., pp. 42245, 42246, 42248 and 42252.

During the conference, the following topics must be discussed:

- (1) The nature of and basis for their respective claims and defenses;
- (2) The possibility of settling the case or at least narrowing the scope of claims or defenses, and;
- (3) Arrangements relating to disclosures, discovery and introduction of evidence at trial, should the parties not agree to settle the case.

Either party may request the participation of the Board in the discovery conference.

See Trademark Rule 2.120(a)(2), 37 C.F.R. § 2.120(a)(2).

⁴ When an *inter partes* proceeding is not pending before the Board, the registrant must maintain a current address with the Trademark Office.

- **Information on Initial Disclosures**

Applicant is referred to TBMP § 401.02 and to the following web addresses to obtain information regarding initial disclosures:

http://www.uspto.gov/trademarks/process/appeal/RULES08_01_07.pdf and to

<http://edocket.access.gpo.gov/2006/pdf/06-197.pdf> or to

http://www.uspto.gov/trademarks/process/appeal/RULES01_17_06.pdf. See Notice

of Final Rulemaking (“Miscellaneous Changes to Trademark Trial and Appeal

Board Rules”) in the Federal Register, 72 Fed. Reg. 147 (August 1, 2007) and 71

Fed. Reg. 10, 2501 (January 17, 2006).

