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

Proceeding	91251302
Party	Defendant Verdesian Life Sciences U.S., LLC
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Attachments	2019-10-11 v.2 Motion to Suspend (NUE UNIVERSITY).pdf(1411256 bytes)

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

_____)	
Horizon AG-Products, L.P.,)	
)	
Opposer,)	
)	
v.)	Opposition No. 91251302
)	
Verdesian Life Sciences U.S., LLC,)	
)	
Applicant.)	
_____)	

MOTION TO SUSPEND

Respondent, Verdesian Life Sciences U.S., LLC (“Verdesian” or “Applicant”), respectfully moves to suspend this Opposition proceeding in view of *Horizon AG-Products, LP v. Verdesian Life Sciences, U.S., LLC*, No. 3:19-cv-0722-S (N.D. Tex., Dallas Div.), which was filed on March 22, 2019 (the “District Court Case”). The District Court Case involves the same parties as this Opposition proceeding, and Opposer’s claims for trademark infringement are based on the term “NUE,” which forms a part of Applicant’s NUE UNIVERSITY mark. A copy of the Complaint is attached hereto as **Exhibit A**.

Factual Background

On January 31, 2019, Opposer Horizon AG-Products, L.P. filed a Notice of Opposition against Applicant’s NUE application (Serial No. 87/778,016) [Opposition No. 91246167, TTABVUE 1] (the “NUE Opposition”). On March 13, 2019, Applicant/Defendant filed an Answer and Counterclaim in the NUE Opposition (Opposition No. 91246167, TTABVUE 4). On March 22, 2019, Opposer filed suit in the US District Court for the Northern District of Texas (Dallas Division) claiming, *inter alia*, federal trademark infringement and unfair competition based on an alleged likelihood of confusion with Opposer’s Reg. No. 4,795,520 (NUE-plex),

which is also asserted in this Opposition proceeding. *See* Exhibit A. On April 29, 2019 Applicant filed a Motion to Suspend pending resolution of the Federal District Court Litigation, which was granted by the TTAB on May 6, 2019.

On August 20, the TTAB granted a Motion to Consolidate and Suspend other opposition proceedings against Applicant's NUE CHARGE and NUE UNIVERSITY marks brought by Koch Agronomic Services LLC, pending resolution of the District Court Case. *See* Opposition No. 91248050, TTABVUE 9.

Opposer subsequently filed the Notice of Opposition in this Opposition proceeding on October 1, 2019, along with a Notice of Opposition against Applicant's NUE CHARGE mark (Opposition No. 91251300). Applicant does not believe that Opposer notified the TTAB of the related District Court Case when filing its Notice of Opposition.

Applicable Law and Argument

“It is the policy of the Board to suspend proceedings when the parties are involved in a civil action, which may be dispositive of or have a bearing on the Board case.” *Ara Ohanian v. Tekno Products, Inc.*, 2019 WL 367659, at *1 (T.T.A.B. Jan. 25, 2019); *see also* 37 C.F.R. § 2.117(a); *New Orleans La. Saints LLC v. Who Dat? Inc.*, 99 U.S.P.Q.2d 1550, 1552 (T.T.A.B. 2011) (civil action need not be dispositive of Board proceeding, but only needs to have bearing on issues before Board).

Here, the District Court Case involves the same parties, and Opposer's infringement claim is predicated on NUE element, which forms a part of the NUE UNIVERSITY mark that is at issue in this Opposition proceeding. Thus, the outcome of the District Court Case will necessarily have a bearing on this Opposition proceeding. Applicant respectfully requests that

the Opposition proceeding be suspended pending resolution of Civil Action No. 3:19-cv-00722-S
(N.D. Tex.).

Dated: October 11, 2019

Respectfully submitted,

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Certificate of Filing and Service

The undersigned counsel of record certifies that a copy of the foregoing **MOTION TO SUSPEND** has been filed through the Electronic System for Trademark and Trial Appeals, and served upon Applicant via email, on October 11, 2019, to the following counsel of record:

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EXHIBIT A

MOTION TO SUSPEND

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

HORIZON AG-PRODUCTS, LP

Plaintiff,

vs.

**VERDESIAN LIFE SCIENCES,
U.S., LLC**

Defendant.

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Case No. _____

**ORIGINAL COMPLAINT, REQUEST FOR TEMPORARY
AND PERMANENT INJUNCTIVE RELIEF, AND JURY DEMAND**

Plaintiff Horizon AG-Products, L.P. (“HAP”) files this Original Complaint, Request for Temporary and Permanent Injunctive Relief, and Jury Demand against Defendant Verdesian Life Sciences, U.S., LLC as follows:

I. PARTIES AND SERVICE

1. Plaintiff HAP is a Texas Limited Partnership, registered to do business in Texas, with its principal office located at 1450 Infinite Drive, Louisville, CO 80027. HAP is registered to do business in the State of Texas and maintains a registered office in Dallas, Texas.

2. Defendant Verdesian Life Sciences, U.S., LLC (“Verdesian”) is a Delaware limited liability company, with its principal office located at 1001 Winstead Drive, Suite 480, Cary, North Carolina 27513. Verdesian may be served with process through its registered agent and Manager, Francis X. Pirozzi, 1001 Winstead Drive, Suite 480, Cary, North Carolina 27513.

II. JURISDICTION AND VENUE

3. This action arises in part under the Lanham Act, 15 U.S.C. §§ 1051 *et seq.* (“the Lanham Act”). Accordingly, this Court has federal question jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331 and § 1338(a) and (b). This Court has jurisdiction over the state law claims asserted herein pursuant to 28 U.S.C. §§ 1338(b) and 1367(a), as well as principles of supplemental and pendent jurisdiction.

4. This Court has personal jurisdiction over Verdesian because Verdesian has committed acts in this judicial district that have given rise to this action and because Verdesian has established minimum contacts with Texas such that the exercise of jurisdiction over Verdesian would not offend traditional notions of fair play and substantial justice. Upon information and belief, Verdesian conducts business in the State of Texas, markets and sells products to customers in the State of Texas and maintains sales representatives and/or service managers in the State of Texas.

5. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b) because Verdesian does business in this district and a substantial part of the events or omissions giving rise to this action occurred in this judicial district.

III. FACTUAL BACKGROUND

A. HAP and the “NUE-plex” mark.

6. HAP is a bio-technology-based manufacturer of innovative plant health solutions that has served the American agricultural market for the past 30 years. HAP mines, manufactures, and sells natural organic materials for use in the agricultural market, including plant-based organic fertilizer products. HAP has five production facilities around the country and sells its products throughout the country and internationally.

7. HAP sells a wide range of fertilizer products containing soluble humus, or “humic acid,” which is a complex mixture of different acids. Humic acid is used as an agricultural soil supplement due to its beneficial impact on plant growth. HAP has spent a significant amount of time and resources to develop and promote its products throughout the agriculture industry, including the development and registration of certain trademarks.

8. Among many other marks, HAP is the owner of the mark, NUE-plex, and has used the “NUE-plex” mark continuously since at least as early as 2014. HAP has used the “NUE-plex” mark to identify a fertilizer product, particularly, natural organic acid formulation materials for use in agriculture, including plant-based organic fertilizer products so as to distinguish these products from those made and sold by others.

9. The “NUE-plex” mark has distinguishing characteristics, including the use of upper and lower case letters, as well as a hyphen. These distinguishing characteristics are readily seen in the “NUE-plex” logo, which is featured prominently in marketing materials and packaging:



10. NUE-plex products are used in a variety of settings, including products distributed and sold by other third-parties. This includes Receptor® and AvantiRZ™ sold by Helena Chemical Company. The “NUE-plex” mark has appeared on labels and boxing related to these products for years.

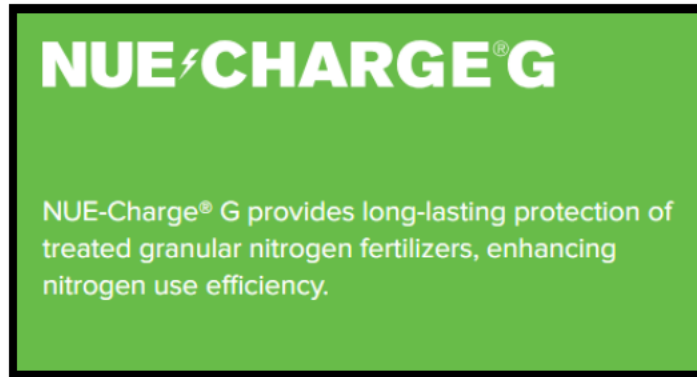
11. On May 18, 2012, HAP filed an application with the United States Patent and Trademark Office (the “PTO”) for registration of the “NUE-plex” mark for fertilizer for agricultural use. This application was assigned Serial No. 85628919 by the PTO. The application matured into a registration on August 8, 2015, assigned Registration No. 4,795,520 for soil applied fertilizer for agricultural use, and excluding chemicals for use in industry and science.

12. By virtue of HAP’s ownership, registration and extensive sales and use in commerce under the “NUE-plex” mark in the United States and internationally, the relevant trade and public have come to associate goods provided under the “NUE-plex” mark with HAP, thereby creating a valuable reputation for such goods.

B. Verdesian and its use of the “NUE-Charge” mark.

13. Verdesian is a large company that, among other things, produces and sells a variety of plant-based organic fertilizer products for the agricultural market. Verdesian is present in a number of states and sells its products nationwide. Verdesian also maintains a website at <http://www.vlsci.com> which describes its business and products.

14. Verdesian recently began using the mark, “NUE-Charge”, in connection with advertising and promoting fertilizer products, which is confusingly similar to HAP’s mark “NUE-Plex.” In many cases, Verdesian has misrepresented that “NUE-Charge” is a trademark registered with the PTO. Multiple examples of Verdesian’s inappropriate use of the confusing mark are found on its website and in sales/marketing materials, as follows:



(See <https://www.vlsci.com/products>).



(See <https://www.vlsci.com/products/nue-charge-g>). As seen above, Verdesian uses a variety of treatments for the “NUE-Charge” mark, including a logo version with a “lightning bolt,” but uses a hyphen and a variation of upper and lower case letters, like the “NUE-plex” mark in many applications. The hyphenated and upper-and-lower case treatments typically include a “®,” falsely representing that the mark is registered with the PTO.

15. A “Sell Sheet” that is provided to Verdesian’s customers and also downloadable on Verdesian’s website provides some of the most egregious examples:


Get more grain from every unit of N with NUE-Charge® G.

The new proprietary polymer from Verdesian Life Sciences means premium Nutrient Use Efficiency (NUE™) when it comes to nitrogen (N).

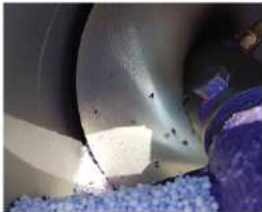
More available nitrogen = better use of your investment.
 NUE-Charge G provides long-lasting protection of treated granular nitrogen fertilizers like urea and ammonium sulfate from volatilization, leaching and denitrification. This keeps more nitrogen in the root zone until the plant needs it. The innovative granular formulation of NUE-Charge G keeps more nitrogen in the root zone longer, allowing the plant to access the nutrients when they are needed most.

Months of protection, instead of days.
 NUE-Charge G with urea results in months of protection, not just days. In addition, NUE-Charge G can be pretreated on urea and stored for an indefinite period of time without loss of protection when applied to a field. This gives you not only a long-lasting and hard-working product, but peace of mind.


Excellent handling, minimal buildup and consistent delivery.
 NUE-Charge G offers simple handling and spreading on urea and other dry nitrogen fertilizers. NUE-Charge G means significantly less buildup on steel equipment vs. other nitrogen products, meaning less wear and tear on equipment. In addition, NUE-Charge G offers more uniform after blending on dry nitrogen fertilizers, which directly correlates to more evenly distributed N across the field.




The distinctive violet color of NUE-Charge G not only differentiates from the competition, but clearly shows consistent coverage.




NUE-Charge G offers minimal buildup on equipment, down time, frustration and expense.



PROTECTS AGAINST THREE FORMS OF N LOSS




PROTECTS SOIL HEALTH AND WATER QUALITY




CAN BE STORED FOR AN INDEFINITE PERIOD

50-90%

50-90% LESS BUILDUP ON EQUIPMENT




WORKS WELL IN ALL WEATHER CONDITIONS





9.0 BU/ACRE* ADVANTAGE OVER UNTREATED CHECK

Verdesian Life Sciences makes farming more efficient, more sustainable, and more profitable. Verdesian Life Sciences develops nutrient use efficiency and management technologies to enhance crop uptake, reduce nutrient losses to the environment, and improve yields. As a 4R Nutrient Stewardship Partner, Verdesian is committed to researching and developing environmentally sustainable products.

For more information: vlsci.com | 800.868.6446


VERDESIAN
THE NUTRIENT USE EFFICIENCY PEOPLE™


NUE-CHARGE G
A VERDESIAN NUE™ SOLUTION



4R nutrient stewardship

Based on historic performance of similar chemistries and mode of action. Important: Always read and follow label use directions. NUE-Charge is a registered trademark and N.U.E. is a trademark of Verdesian Life Sciences. © 2018 Verdesian Life Sciences. All rights reserved. VLS-18-0021

(See <https://www.vlsci.com/assets/dl/NUE-Charge-Sell-Sheet-9.7.2018.pdf>). A true and correct copy of the “Sell Sheet” is attached to this Complaint as **Exhibit 1**. As seen in following excerpts from the “Sell Sheet,” Verdesian not only uses the confusing mark but represents it is a registered trademark:



Based on historic performance of similar chemistries and mode of action. Important: Always read and follow label use directions.
NUE-Charge is a registered trademark and NUE is a trademark of Verdesian Life Sciences.
© 2018 Verdesian Life Sciences. All rights reserved. VLS 18.0321



(*See id.*).

C. The “NUE-Charge” mark is not registered.

16. Contrary to Verdesian’s representations, the “NUE-Charge” mark is not registered with the PTO. On July 9, 2018, Verdesian filed an application for registration with the PTO of the mark “NUE CHARGE” for use with fertilizers and other products. On September 14, 2018, the PTO issued an Office Action requiring a disclaimer of the term NUE. Verdesian is currently disputing with the PTO whether a disclaimer is required, with Verdesian taking the position that the term “NUE” is suggestive of their goods, rather than merely descriptive of an ingredient, quality, characteristic, function, feature, purpose, or use of the goods. *See* 15 U.S.C. §§1052(e)(1), 1056 (a). Neither the “NUE CHARGE” mark nor the “NUE-charge” mark are registered.

D. Verdesian seeks to register the “NUE” mark, and HAP opposes the application.

17. Verdesian also uses the “NUE” mark in advertisement and promotion as displayed in the examples above and on its website. This mark is also confusingly similar to HAP’s “NUE-plex” mark.

18. Verdesian filed applications for registration of several other marks, which include the term “NUE”. Verdesian filed its application for the “NUE” mark on January 31, 2018 for use with fertilizers and other goods. The application was refused in a first Office Action issued by the PTO, on grounds the term NUE is merely descriptive of the goods. On November 15, 2018, Verdesian responded to the Office Action. Verdesian again took the position that “NUE” is not merely descriptive of the goods.

19. On January 1, 2019, the PTO published the “NUE” mark for opposition. HAP filed an opposition with the PTO on January 31, 2019 on grounds that there is a likelihood of confusion between HAP’s mark, “NUE-plex” and the published mark, “NUE”. On March 13, 2019, Verdesian filed a counterclaim in the opposition, petitioning to cancel HAP’s registration of the “NUE-plex” mark. In the counterclaim, Verdesian alleges that HAP’s “NUE-plex” mark is descriptive and has been abandoned. Verdesian’s claim that the term “NUE” in HAP’s “NUE-plex” mark is merely descriptive contradicts the arguments presented by Verdesian in its own applications that the term “NUE” is suggestive and not merely descriptive. In addition, Verdesian has ignored the fact that HAP’s mark is not “NUE” by itself, but is the combined mark, “NUE-plex”. Verdesian has also alleged that HAP has abandoned its mark without any evidence to support the claim. HAP has used the “NUE-plex” mark long prior to Verdesian’s use of any similar mark, and long prior to Verdesian’s application for registration of the “NUE” mark.

20. In light of the similarities between the respective marks and their actual and intended uses, and the related nature of the goods of the respective marks and the parties at issue, the “NUE” mark so resembles HAP’s “NUE-plex” trademark—which is and has been used and not abandoned, as to be likely to cause confusion or to cause mistake.

21. As a result of Verdesian’s continued and unauthorized use of the “NUE-Charge” and “NUE” marks to identify its products and/or components in its products, consumers are and will be led to believe that Verdesian’s products are affiliated, connected or associated with HAP, which they are not. In fact, HAP has already learned of confusion in the marketplace caused by Verdesian’s use of the “NUE-Charge” and “NUE” marks.

22. Verdesian has disseminated and continues to disseminate advertising materials to consumers and potential consumers in an attempt to influence purchasing decisions with regard to its fertilizer products.

IV. CLAIMS AND CAUSES OF ACTION

COUNT I:

Federal Trademark Infringement

23. HAP incorporates all preceding paragraphs and facts as if fully set forth herein.

24. Verdesian's use of confusingly similar marks "NUE-Charge" and "NUE" is likely to cause confusion, deception and mistake by creating the false and misleading impression that Verdesian's goods are manufactured or distributed by HAP, or are associated or connected with HAP, or have the sponsorship, endorsement, or approval of HAP.

25. Verdesian's "NUE-Charge" and "NUE" marks are confusingly similar to HAP's registered mark in violation of 15 U.S.C. § 1114. Verdesian's activities are causing and, unless enjoined by this Court, will continue to cause a likelihood of confusion and deception of members of the trade and public, and, additionally, injury to HAP's goodwill and reputation, for which HAP has no adequate remedy at law.

COUNT II:

False Designation of Origin Pursuant to 15 U.S.C. § 1125(a)

26. HAP incorporates all preceding paragraphs and facts as if fully set forth herein.

27. The acts of Verdesian complained of above and in connection with the sale and promotion of its goods constitute a false designation of origin and false and misleading description and representation that is likely to cause confusion, to cause mistake, and to deceive as to the affiliation, connection, or association of Verdesian and/or its product to

Horizon as to the origin, sponsorship, and approval of Verdesian's goods in violation of Section 43(a) of the Trademark Act, 15 U.S.C. § 1125(a).

COUNT III:
Federal Unfair Competition

28. HAP incorporates all preceding paragraphs and facts as if fully set forth herein.

29. The acts of Verdesian complained of above constitute unfair competition in violation of 15 U.S.C. § 1125(a).

30. Upon information and belief, the acts of Verdesian complained of above are willful and deliberate, entitling HAP to increased damages, attorney's fees and costs under 15 U.S.C. § 1117 and destruction of the infringing articles under 15 U.S.C. § 1117.

COUNT IV:
Common Law Trademark Infringement and Unfair Competition

31. HAP incorporates all preceding paragraphs and facts as if fully set forth herein.

32. The acts of Verdesian complained of above constitute trademark infringement and unfair competition under the common law of the State of Texas and such other states where such acts may be occurring.

COUNT V:
False Advertising

33. HAP incorporates all preceding paragraphs and facts as if fully set forth herein.

34. Verdesian's continual use of the "®" symbol with respect to an unregistered mark represents misuse of the trademark registration symbol in an effort to mislead and/or deceive the public into believing that the mark is registered. Such action constitutes false and misleading representations to the trade and public.

35. Verdesian's advertising and labeling materials have been and are disseminated, published, and discussed in interstate commerce with these false and misleading statements.

36. As a direct and proximate result of Verdesian's violation of the Lanham Act, HAP has been irreparably damaged and will continue to be damaged in the future if said acts are allowed to continue.

37. HAP is likely to be damaged by the actions of Verdesian and is entitled to injunctive relief based upon the principles of equity and the provisions of 15 U.S.C. § 1116. Further, HAP is entitled to recover monetary damages, corrective advertising costs, Verdesian's profits, costs and prejudgment interest, as well as attorney's fees pursuant to 15 U.S.C. § 1117(a).

38. Furthermore, HAP is entitled to a destruction order requiring all advertisements bearing false or misleading descriptions or representations to be destroyed pursuant to 15 U.S.C. § 1118.

JURY DEMAND

39. HAP demands a trial by jury.

V. REQUEST FOR RELIEF

WHEREFORE, HAP prays:

(a) That Verdesian and each of its partners, agents, servants, employees, officers, attorneys, successors, assigns, related companies, and those acting in concert with them and/or any of them be preliminarily and permanently enjoined and restrained from using trademark "NUE-Charge" or any mark containing the term "NUE" similar to HAP's "NUE-plex" mark in connection with the promotion or sale of goods or services;

(b) That Verdesian and each of its partners, agents, servants, employees, officers, attorneys, successors, assigns, related companies, and those acting in concert with them and/or any of them be preliminarily and permanently enjoined and restrained from making

false and misleading statements concerning its marks, including the use of the “®” with unregistered trademarks;

(c) That Verdesian, and each of its partners, agents, servants, employees, officers, attorneys, successors, assigns, related companies, and those acting in concert with them and/or any of them, be required to deliver to the Court for destruction, or to show proof of said destruction, of any and all displays, signs, circulars, promotional materials, advertisements, pens, directories, pamphlets, databases, discs, hard drives, electronic memories, and other materials in Defendant’s possession, custody, or control that bear or depict the trademark “NUE-Charge” or “NUE” or any mark confusingly similar to HAP’s “NUE-plex” trademark which is used in connection with the offering and promotion of any goods or services, as well as all plates, molds, casts, and other means of reproducing, counterfeiting, copying, or otherwise imitating that trademark, or any mark confusingly similar thereto, in association with the offering of any goods or services;

(d) That Verdesian be ordered to file with this Court and to serve upon HAP within thirty days after the entry of an injunction, a report in writing and under oath setting forth in detail the manner in which Verdesian has complied with the injunction;

(e) That, pursuant to 15 U.S.C. § 1117(a), HAP be awarded its damages;

(f) That, pursuant to 15 U.S.C. § 1117(a), HAP be awarded an accounting of Verdesian’s profits and that the award of those profits be increased at least three times;

(g) That, pursuant to 15 U.S.C. § 1117(a), HAP be awarded its reasonable attorney’s fees and costs; and

(h) That HAP be awarded such other and further relief as the Court may deem appropriate pursuant to the facts and the principles of equity.

