

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

August 5, 2020

Opposition No. 91251536 (Parent)  
Opposition No. 91251537  
Opposition No. 91251538  
Opposition No. 91251539

*Alexandria Real Estate Equities, Inc.*

*v.*

*Bugsby Property LLC*

**Lawrence T. Stanley, Jr., Interlocutory Attorney:**

This case now comes up on Opposer's motion, filed April 9, 2020, to strike Applicant's affirmative defenses. The motion is fully briefed.

The Board has carefully considered all of the parties' arguments, presumes the parties' familiarity with the bases for their filings, and does not recount the facts or arguments here except as necessary to explain this decision. *See Guess? IP Holder LP v. Knowlux LLC*, 116 USPQ2d 2018, 2019 (TTAB 2015).

**Background**

On October 9, 2019, Opposer filed a notice of opposition in Opposition No. 91251536 ("the '536 Opposition") against Applicant's application Serial No. 88284746 for the mark INCLUSIVE INNOVATION, in standard characters, for "business incubator, co-working, and shared office and laboratory services, namely, business

networking, business management, and business development in the nature of providing start-up support for businesses of others in the fields of technology, science, medicine, pharmaceuticals, and healthcare; business communications services, namely, public relations, advertising, marketing and publicity consultation services for businesses in the fields of technology, science, medicine, pharmaceuticals, and healthcare; rental and leasing of office machinery and equipment; providing on-line employment-related information in the fields of employment, recruitment, careers, personal issues related to careers and work life, job resources, job listings and resumes; providing on-line interactive employment counseling and recruitment services; providing on-line employment placement services, namely, resume matching services via a global computer network; business development consulting services in the field of development of office, laboratory and multipurpose workspace; social networking services in the field of business, namely, on-line business networking services provided via a website; online social networking services in the field of business, namely, business networking services accessible by means of downloadable mobile applications” in International Class 35.<sup>1</sup> As grounds for opposition, Opposer alleged that Applicant’s mark is generic, or in the alternative, merely descriptive.

The same day, Opposer filed substantially similar notices of opposition in Opposition No. 91251537 (“the ’537 Opposition”), Opposition No. 91251538 (“the ’538

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<sup>1</sup> Application Serial No. 88284746 was filed on January 31, 2019, based upon Applicant's allegation of a bona fide intention to use the mark in commerce under Section 1(b) of the Trademark Act.

Opposition Nos. 91251536, 91251537, 91251538, and 91251539

Opposition”), and Opposition No. 91251539 (“the ’539 Opposition”). In the ’537 Opposition, Opposer filed a notice of opposition against Applicant’s application Serial No. 88284752 for the mark INCLUSIVE INNOVATION, in standard characters, for “leasing of office space; leasing of real estate in the nature of laboratory space to start-up and early stage businesses; leasing of real estate; rental of office space; real estate management services; financial services, namely, financial research and financial consulting services for start-up and early stage businesses; business incubator services, namely, providing financing to freelancers, start-up and early stage businesses; leasing of real estate in the nature of laboratory space for chemical sciences and engineering research” in International Class 36.<sup>2</sup>

In the ’538 Opposition, Opposer filed a notice of opposition against Applicant’s application Serial No. 88284755 for the mark INCLUSIVE INNOVATION, in standard characters, for “rental and leasing of information technology (IT) computer hardware systems, of computer software, and of laboratory apparatus and instruments; computer services, namely, creating an on-line community for registered users to participate in discussions, get feedback from their peers, form virtual communities, and engage in business and social networking; providing a web hosting platform for customers to participate in business and social networking, engage in virtual communities, manage membership in a co-working and private office facilities service, request and manage office and laboratory assignments,

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<sup>2</sup> Application Serial No. 88284752 was filed on January 31, 2019, based upon Applicant’s allegation of a bona fide intention to use the mark in commerce under Section 1(b) of the Trademark Act.

reserve conference rooms and equipment, control employees' user access, order printing services, and sign up and pay for vendor services; computer services, namely, hosting on-line web facilities for others for organizing and conducting online introductions, meetings, gatherings and interactive discussions; computer services, namely, cloud hosting provider services; computer services, namely, on-site and remote management of IT systems of others; installation, updating and maintenance of computer software; rental of web servers; server hosting, namely, developing and hosting a server on a global computer network for the purpose of facilitating e-commerce via such a server; technical support services, namely, troubleshooting of computer software problems; technical support services, namely, troubleshooting in the nature of diagnosing computer hardware and software problems” in International Class 42.<sup>3</sup>

In the '539 Opposition, Opposer filed a notice of opposition against Applicant's application Serial No. 88284758 for the mark INCLUSIVE INNOVATION, in standard characters, for “online social networking services” in International Class 45.<sup>4</sup>

As grounds for opposition in the '537, '538, and '539 Oppositions, Opposer pleaded the same claims as those alleged in the '536 Opposition.

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<sup>3</sup> Application Serial No. 88284755 was filed on January 31, 2019, based upon Applicant's allegation of a bona fide intention to use the mark in commerce under Section 1(b) of the Trademark Act.

<sup>4</sup> Application Serial No. 88284758 was filed on January 31, 2019, based upon Applicant's allegation of a bona fide intention to use the mark in commerce under Section 1(b) of the Trademark Act.

On February 4, 2020, the Board consolidated the '536, '537, '538, and '539 Oppositions, and granted in part and denied in part Applicant's motion to dismiss the notice of opposition in each proceeding. 8 TTABVUE 15-16. The Board granted Applicant's motion to dismiss Opposer's genericness claim in each proceeding and denied Applicant's motion to dismiss Opposer's descriptiveness claim in each proceeding. *Id.* On March 20, 2020, Applicant filed its answer to the notice of opposition in each proceeding, denying the salient allegations of the notices of opposition and asserting several affirmative defenses, namely:

1. The opposition fails to state a claim on which relief can be granted.
2. Applicant alleges on information and belief that as a result of Opposer's own acts and/or omissions, the Opposition is barred by the doctrine of laches.
3. Applicant alleges on information and belief that the Opposition is barred by the doctrine of estoppel.
4. Applicant alleges on information and belief that as a result of Opposer's own acts and/or omissions, Opposer has waived any right to pursue its Opposition.
5. Applicant alleges on information and belief that the Opposition is barred by the doctrine of acquiescence.
6. Applicant alleges on information and belief that the Opposition is barred by the doctrine of unclean hands.
7. Applicant alleges on information and belief that the Opposition is barred by Opposer's fraudulent conduct.

9 TTABVUE 4-5 in the '536, '537, '538, and '539 Oppositions.

On April 9, 2020, Opposer filed a motion to strike Applicant's affirmative defenses in each proceeding. 10 TTABVUE.

## **Applicable Law**

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. Inc. v. Dow Brands Inc.*, 22 USPQ2d 1313, 1314 (TTAB 1992); TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (TBMP) § 506.01 (2020). Motions to strike are not favored, and as such, 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. *Id.* The primary purpose of the pleadings, under the Federal Rules of Civil Procedure, is to give fair notice of the claims or defenses asserted. *See McDonnell Douglas Corp. v. Nat'l Data Corp.*, 228 USPQ 45, 47 (TTAB 1985); TBMP § 309.03(a)(2). Thus, the Board, in its discretion, 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. *Harsco Corp. v. Elec. Scis. Inc.*, 9 USPQ2d 1570, 1571 (TTAB 1988).

## **Analysis**

### **1. First Affirmative Defense: Failure to State a Claim**

Failure to state a claim for relief is not a true affirmative defense because it relates to an assertion of the insufficiency of the pleading of Opposer's notice of opposition rather than a statement of a defense to a properly pleaded claim. *See Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc.*, 60 USPQ2d 1733, 1738 n.7 (TTAB 2001). Nonetheless, as the Board found in its February 4, 2020 order, Opposer has sufficiently pleaded its standing and a claim of descriptiveness in each proceeding. 8

TTABVUE 14-15. In response to Applicant's motion to strike, Opposer has withdrawn its first affirmative defense. 12 TTABVUE 4. Accordingly, Opposer's motion to strike the first affirmative defense is **moot**, and Applicant's first affirmative defense is **withdrawn** in each answer.

**2. Second, Third, Fourth, Fifth, Sixth, and Seventh Affirmative Defenses: Laches, Estoppel, Waiver, Acquiescence, Unclean Hands, and Fraudulent Conduct**

For its second affirmative defense, Applicant alleges that "as a result of Opposer's own acts and/or omissions, the Opposition is barred by the doctrine of laches." For its third affirmative defense, Applicant alleges that "the Opposition is barred by the doctrine of estoppel." For its fourth affirmative defense, Applicant alleges that "as a result of Opposer's own acts and/or omissions, Opposer has waived any right to pursue its Opposition." For its fifth affirmative defense, Applicant alleges that "the Opposition is barred by the doctrine of acquiescence." For its sixth affirmative defense, Applicant alleges that "the Opposition is barred by the doctrine of unclean hands." For its seventh affirmative defense, Applicant alleges that "the Opposition is barred by Opposer's fraudulent conduct." These bald conclusory allegations are legally insufficient because they do not provide Opposer with fair notice of the factual bases for the defenses. Fed. R. Civ. P. 8(b)(1) and 12(f); *see e.g., IdeasOne Inc. v. Nationwide Better Health Inc.*, 89 USPQ2d 1952, 1953 (TTAB 2009); *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1538 (TTAB 2007); *Midwest Plastic Fabricators, Inc. v. Underwriters Labs. Inc.*, 5 USPQ2d 1067, 1069 (TTAB 1980); *see also* TBMP § 311.02(b) ("The elements of a defense should be stated simply, concisely,

and directly. However, the pleading should include enough detail to give the plaintiff fair notice of the basis for the defense.”).

Furthermore, the affirmative defenses of laches, acquiescence, and estoppel generally are not applicable in opposition proceedings because these defenses start to run from the time a mark is published for opposition, not from the time of knowledge of use. *See Nat’l Cable Television Ass’n Inc. v. Am. Cinema Editors Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991); *Barbara’s Bakery, Inc. v. Landesman*, 82 USPQ2d 1283, 1292 n.14 (TTAB 2007); TBMP § 311.02(b). Moreover, where a proceeding is based on descriptiveness, the equitable defenses of laches, acquiescence, or estoppel do not apply because it is in the public interest to preclude registration of merely descriptive designations. *See Saint-Gobain Abrasives, Inc. v Unova Indus. Automation Sys., Inc.*, 66 USPQ2d 1355, 1359 (TTAB 2003) (“It is well established that the equitable defenses of laches and acquiescence are not available against claims of genericness, descriptiveness, fraud, and abandonment.”); *TBC Corp. v. Grand Prix Ltd.*, 12 USPQ2d 1311, 1313 (TTAB 1989). “Unclean hands” is an equitable defense in the nature of laches or acquiescence and is likewise unavailable in proceedings based on descriptiveness.

Accordingly, Opposer’s motion to strike the second, third, fourth, fifth, sixth, and seventh defenses is **granted**, and the second, third, fourth, fifth, sixth, and seventh defenses are **stricken**.

### **3. Reservation of Rights**

In the introduction to Applicant’s affirmative defenses, Applicant attempts to reserve the right to assert other defenses that will be developed through discovery. 9



TTABVUE 4 in the '536, '537, '538, and '539 Oppositions. The Board finds that this is not an affirmative defense but merely an advisory statement that Applicant may amend its pleading at some future date after conducting discovery or further independent investigation in this matter. A defendant cannot reserve unidentified defenses since it does not provide a plaintiff fair notice of such defenses. Whether or not Applicant may, at some future point, add an affirmative defense must be resolved by way of a motion for leave to amend. Thus, the Board strikes Applicant's reservation of rights defense.

### Summary

Opposer's motion is **granted in part** and **moot in part** to the extent set forth above.

Applicant's request for leave to replead the defenses stricken herein is **denied**. There is nothing in the record to suggest that Applicant has a factual basis for asserting the stricken affirmative defenses, most of which are unavailable against Opposer's descriptiveness claims. To the extent Applicant seeks to plead or replead any affirmative defenses, Applicant must file a motion for leave to amend. Fed. R. Civ. P. 15(a)(2).

### Proceedings Resumed and Dates Reset

Proceedings are **resumed** and dates are reset as follows:

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|-----------------------------------|-----------|
| Deadline for Discovery Conference | 9/2/2020  |
| Discovery Opens                   | 9/2/2020  |
| Initial Disclosures Due           | 10/2/2020 |
| Expert Disclosures Due            | 1/30/2021 |
| Discovery Closes                  | 3/1/2021  |

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| Plaintiff's Pretrial Disclosures Due    | 4/15/2021  |
| Plaintiff's 30-day Trial Period Ends    | 5/30/2021  |
| Defendant's Pretrial Disclosures Due    | 6/14/2021  |
| Defendant's 30-day Trial Period Ends    | 7/29/2021  |
| Plaintiff's Rebuttal Disclosures Due    | 8/13/2021  |
| Plaintiff's 15-day Rebuttal Period Ends | 9/12/2021  |
| Plaintiff's Opening Brief Due           | 11/11/2021 |
| Defendant's Brief Due                   | 12/11/2021 |
| Plaintiff's Reply Brief Due             | 12/26/2021 |
| Request for Oral Hearing (optional) Due | 1/5/2022   |

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. 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).