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

Proceeding	91254671
Party	Plaintiff Phillips Environmental Products, Inc. d/b/a Cleanwaste
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

PHILLIPS ENVIRONMENTAL)	
PRODUCTS, INC.,)	
)	
Opposer,)	Opposition No. 91254671
)	
v.)	Serial No. 88660887
)	
OLIIV LLC,)	Trademark: PEEWEE
)	WATERSLIDE
Applicant.)	
_____)	

MOTION TO STRIKE AFFIRMATIVE DEFENSES

Pursuant to Rule 12(f), Fed. R. Civ. P., PHILLIPS ENVIRONMENTAL PRODUCTS, INC. d/b/a CLEANWASTE hereby moves to strike Applicant’s Third, Fourth, Fifth, Sixth, Seventh and Eighth affirmative defenses.

This proceeding was initiated on March 15, 2020. Applicant filed its initial Answer on March 16, 2020, and that Answer was stricken by the Board on June 23, 2020, pursuant to Opposer’s motion. The Board’s June 23 order included a Notice of Default. On July 15, 2020, opposing counsel filed a second Answer on Applicant’s behalf. This motion pertains to the affirmative defenses set forth in the latter Answer.

A. *Affirmative Defenses of Laches, Estoppel, Waiver and Acquiescence.*

Applicant’s Third, Fourth, Fifth and Sixth affirmative defenses relate to laches, estoppel, wavier and acquiescence, respectively. Applicant has failed to provide fair notice of the basis for these defenses because Applicant has alleged no specific conduct

in the answer that would give rise thereto. See *Lincoln Logs Ltd. v. Lincoln Precut Log Homes, Inc.*, 971 F.2d 732, 23 USPQ2d 1701 (Fed. Cir. 1992); *Midwest Plastic Fabricators Inc. v. Underwriters Labs Inc.*, 5 USPQ2d 1067 (TTAB 1987).

A prima facie defense of laches requires a showing of (1) unreasonable delay in asserting one's rights against another, and (2) material prejudice to the latter as a result of the delay. *Lincoln Logs Ltd.*, 23 USPQ2d at 1703. The affirmative defense of laches and/or undue delay in bringing a proceeding is inapplicable in opposition proceedings. See *National Cable Television Ass'n Inc. v. Am. Cinema Editors Inc.*, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991). Opposer timely filed a Notice of Opposition in this case; therefore, there is no basis for a laches defense in this case. Furthermore, Applicant has failed to allege any facts to support a finding of prejudice.

"Equitable estoppel is the doctrine by which a person may be precluded by his act or conduct, or silence when it is his duty to speak, from asserting a right which he otherwise would have had." *Blackhorse v. Pro Football Inc.*, 98 USPQ2d 1633, 1637 (TTAB 2011). Waiver is the "intentional relinquishment or abandonment of a known right or privilege." *Johnson v. Zerbst*, 304 U.S. 458, 464 (1938). Just as Applicant has failed to assert facts supporting a laches defense, Applicant has failed to allege facts supporting an equitable estoppel or waiver defense.

"Estoppel by acquiescence includes the two elements of laches...and adds...affirmative conduct inducing the belief that [the plaintiff] has abandoned its claim against the alleged infringer, and...detrimental reliance by infringer." *E & J Gallo Winery v. Pasatiempos Gallo, S.A.*, 905 F. Supp. 1403, 1414 (E. D. Cal. 1994). "The distinguishing feature of the acquiescence defense [from a laches defense] is the element

of *active* or *explicit* consent to the use of an allegedly infringing mark.” *Adidas – Am., Inc. v. Payless Shoesource, Inc.*, 546 F. Supp.2d 1029, 1075 (D. Or. 2008) (internal quotation marks omitted and emphasis in original). Accordingly, because Applicant’s affirmative defense of laches fails, Applicant’s affirmative defense of acquiescence fails as well. *See Gracie v. Gracie*, Case No. C 94–4156 SC, 1998 WL 164955, at *3 (N.D. Cal. March 13, 1998) (“The failure of plaintiffs’ laches defense compels the failure of plaintiffs’ defense of estoppel by acquiescence.”), *rev’d on other grounds by Gracie v. Gracie*, 217 F.3d 1060 (9th Cir. 2000).

For all of these reasons, Applicant’s Third, Fourth, Fifth and Sixth affirmative defenses should be stricken.

B. Affirmative Defense of Unclean Hands.

Applicant has failed to set forth any allegations of conduct on the part of Opposer that would constitute unclean hands; as such, the defense lacks the necessary specificity and should be stricken as insufficient. *See Midwest Plastic Fabricators Inc.*, 5 USPQ2d at 1069.

C. Affirmative Defense of Lack of Knowledge/Lack of Willful Intent.

Applicant’s intent (or lack thereof) in attempting to register a mark that is confusingly similar to opposer’s PEEWEE mark has no relevance whatsoever to the current Board proceeding. Even if this were an infringement action, which it is not, the presence or absence of intent might affect damages but would not constitute a defense to infringement. *See Elvis Presley Enters. v. Capece*, 141 F.3d 188, 203 (5th Cir. 1998) (recognizing that the good faith of a defendant makes intent a “nonfactor” in likelihood of confusion analysis but does not preclude a finding of infringement); *Champions Golf*

Club, Inc. v. Champions Golf Club, Inc., 78 F.3d 1111, 1121 (6th Cir. 1996) (noting that intent is not required for infringement but that intent strengthens the case for infringement); *SquirtCo. v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980) (“Intent on the part of the alleged infringer to pass off its goods as the product of another raises an inference of likelihood of confusion, but intent is not an element of a claim for trademark infringement.”); *Bd. of Regents, Univ. of Tex. ex rel. Univ. of Tex. at Austin v. KST Elec. Ltd.*, 550 F. Supp. 2d 657, 672 (W.D. Tex. 2008) (“Good faith is not a defense to trademark infringement.”). For these reasons, Applicant’s eighth affirmative defense should also be stricken.

* * *

For the reasons set forth above, Opposer respectfully requests that the Board strike the Applicant’s Third, Fourth, Fifth, Sixth, Seventh and Eighth affirmative defenses.

Dated: July 21, 2020

Respectfully submitted,

/Antoinette M. Tease/

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing MOTION TO STRIKE AFFIRMATIVE DEFENSES is being served on July 21, 2020, by email to Rexford Brabson, counsel for the Applicant, at the following email address on file with the Board:

rex@t-rexlaw.com

/Antoinette M. Tease/
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