

ESTTA Tracking number: **ESTTA1100050**

Filing date: **12/07/2020**

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

Proceeding	91264929
Party	Plaintiff Top Tobacco, L.P.
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Attachments	Reply in Support of Motion to Strike.pdf(215307 bytes)

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

In the Matter of Application Serial No.:
88/917,699 for SUPERMATCH

Published in the Official Gazette on:
September 22, 2020

TOP TOBACCO, L.P.,

Opposer,

v.

POTOMAC TOBACCO COMPANY LIMITED,

Applicant.

Opposition No. 91264929

**TOP TOBACCO'S REPLY IN SUPPORT OF ITS MOTION
TO STRIKE APPLICANT'S AFFIRMATIVE DEFENSES**

Applicant has withdrawn its third and fourth affirmative defense, and made clear that it is not alleging a traditional laches or equitable estoppel defense. Instead, in its response, Applicant frames its first and second affirmative defenses as the equitable, prior registration defense. *See* J. Thomas McCarthy, 3 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 20:38 (5th ed.). The prior registration defense or *Morehouse* defense “is an equitable defense, ‘to the effect that if the opposer cannot be further injured because there already exists an injurious registration, the opposer cannot object to an additional registration that does not add to the injury.’” *Land O' Lakes, Inc. v. Hugunin*, 88 U.S.P.Q. 2d (BNA) 1957, 1957 (T.T.A.B. 2008) (quoting *O-M Bread, Inc. v. U.S. Olympic Comm'n*, 36 U.S.P.Q. 2d 1041, 1045 (Fed. Cir. 1995); *see also Morehouse Mfg. Corp. v. J. Strickland & Co.*, 56 C.C.P.A. 946, 407 F. 2d 881 (C.C.P.A. 1969). However, the Trademark Trial and Appeal Board has made clear that, in such a defense, the prior registration “must be in existence” at the time the newly, opposed application is filed. *See Land O' Lakes, Inc.*

88 U.S.P.Q.2d (BNA) at 1957. It has also made clear that a registration expires at the end of the registration's sixth year unless the registrant filed an Affidavit of Use pursuant to 15 U.S.C. §§ 1058 or 1114k, and not at the expiration of the 6-month grace period (provided under 15 U.S.C. §§ 1058(a)(3) and 1114k(a)(1)(3)) or when the Trademark Office undertakes the "ministerial function of entering the cancellation into the USPTO database." *See Id.*

Land O' Lakes is instructive on both points. In the case, the applicant asserted its prior registration of the same mark as a bar to the opposition proceeding. *Land O' Lakes, Inc.*, 88 U.S.P.Q.2d (BNA) at 1957. In considering the defense, the Board explained that the premise of the defense is that "the opposer cannot be further injured" by an additional registration when a prior injurious registration exists. *Id.* (internal quotation omitted). Accordingly, the Board further held that the registration forming the basis of the defense "must be in existence in order to form the basis for the claim of damage." *Id.* (internal citations omitted).

The prior registration asserted in *Land O' Lakes* issued on June 6, 2000. *Id.* Apparently unable to file the requisite affidavit of use, the applicant filed a new application for the mark on January 2, 2007, which was opposed. *Id.* The Trademark Office formally issued a notice of cancellation on March 10, 2007. *Id.* Therefore, the prior registration defense hinged upon when the applicant's prior registration expired. *Id.* The Board held that the registration expired by operation of law on June 7, 2006, the day after the registration's sixth anniversary, by which time the applicant was required to file its declaration of continued use or excusable nonuse. *Land O' Lakes, Inc.*, 88 U.S.P.Q.2d (BNA) at 1957. The Board did not deem the 6-month grace period under 15 U.S.C. §§ 1058(a)(3) or the issuance of notice of expiration relevant. Rather, because the "applicant did not file any paper to maintain his registration, his rights in the prior registration were extinguished on the day after its sixth anniversary date." *Id.* As the registration expired

before the new application was filed, the Board would not consider the prior registration defense. *Id.*

While Applicant ignores this case, it is directly analogous here. The prior registration raised by Applicant in this matter, U.S. Registration No. 4,434,423 (the “423 Registration”) issued on November 19, 2013. As the requisite affidavit of use was not filed by the sixth anniversary, the registration expired on November 20, 2019, not at the end of the 6-month grace period (May, 19, 2020) and not when the Trademark Office “undertook the ministerial function of entering the cancellation into the USPTO database.” *Id.* Thus, the ‘423 Registration expired, as a matter of law, months before the instant application was filed. As such, Top Tobacco can be damaged by the registration of the mark and the prior registration defense is not available to Applicant in this proceeding. *See Id.*

Furthermore, the prior registration defense only applies when the *applicant* owns the prior registration. *See* J. Thomas McCarthy, 3 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 20:38 (5th ed.) (“An opposer cannot be ‘damaged’ within the meaning of Lanham Act § 13 by registration of a mark for particular goods or services *if applicant owns* an existing registration for the same or substantially identical mark for the same or substantially identical goods.”) (emphasis added); *accord Morehouse Mfg. Corp. v. J. Strickland & Co.*, 56 C.C.P.A. 946, 407 F. 2d 881 (C.C.P.A. 1969) (applicant owned prior extant registration); *Joseph & Feiss Co. v. Sportempos, Inc.*, 59 C.C.P.A. 742, 451 F.2d 1402 (C.C.P.A. 1971)(applicant owned prior extant registration). Applicant concedes in its response that it was not the owner of the prior registration.

Finally, in the event the Board construes Applicant’s first and second affirmative defenses as some broad affirmative defense of acquiescence, Applicant fails to plead, or raise in its response,

any facts or authority that such a defense is available to it in this opposition.¹ Acquiescence requires that the Opposer “expressly or by clear implication consents to, encourages, or furthers the activities of the [applicant], that is not objected to.” *Christian Broad. Network, Inc. v. ABS-CBN Int'l*, 84 U.S.P.Q.2D (BNA) 1560, 1573 (T.T.A.B. 2007) (finding as the petitioner had contracted with the respondent for broadcasting of petitioner’s programming and did not express dissatisfaction with use of the mark, that petitioner’s silence constituted acquiescence); *see also, Panda Travel, Inc. v. Resort Option Enters.*, 94 U.S.P.Q.2D (BNA) 1789, n. 21 (T.T.A.B. 2009) (stating applicant’s reference to acquiescence is misplaced as it “did not argue or present any evidence that opposer consented to or encouraged applicant’s use of the marks.”). Compared to other forms of estoppel, “acquiescence denotes active consent.” *Coach House Rest., Inc. v. Coach & Six Rests., Inc.*, 934 F. 2d 1551, 1558 (11th Cir. 1991). Here, Applicant has not pled or asserted any facts from which it can be derived that Opposer actively expressed or clearly implied that it consented to the instant application or use of the SUPERMATCH mark; nor has it offered any authority to support its untenable position that the mere existence of an expired registration of a mark by an alleged affiliate is enough to meet the active consent standard for acquiescence.

CONCLUSION

Applicant’s remaining Affirmative Defenses have no legitimate basis in this proceeding and will serve merely to unduly complicate and clutter this proceeding. Top Tobacco respectfully submits that they should be stricken.

¹ As explained in Opposer’s Motion to Strike Applicant’s Affirmative Defenses, “in general the affirmative defenses of laches and acquiescence are inapplicable to oppositions proceedings.” *Solomon-Page Group LLC v. Clinical Res. Network*, 2012 TTAB LEXIS 124, *16 (T.T.A.B. 2012) (citing *Nat’l Cable TV Ass’n v. Am. Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991)).

Respectfully submitted,

Dated: December 7, 2020

By: /Antony J. McShane/

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CERTIFICATE OF SERVICE

The undersigned states that a copy of **TOP TOBACCO'S REPLY IN SUPPORT OF ITS MOTION TO STRIKE APPLICANT'S AFFIRMATIVE DEFENSES** was served upon:

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by electronic mail of said copy to the party identified above using the e-mail service address indicated on the date noted below.

Date: December 7, 2020

/Abigail E. Flores/
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