

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

February 9, 2022

Opposition No. 91268316

Red Bull GmbH

v.

Bison Products, LLC

Before Cataldo, Taylor and English,
Administrative Trademark Judges.

By the Board:

This proceeding now comes up on Opposer's combined motion, filed September 13, 2021, to dismiss Applicant's counterclaims and strike Applicant's affirmative defenses. The motion is fully briefed.

I. PRELIMINARY ISSUE


Before we address Opposer's motion, we note Opposer's second amended notice of opposition¹ was accepted by the Board on August 10, 2021.² In that amendment, Opposer withdrew its opposition to application Serial Nos. 90081512 and 90081540. We clarify the August 10, 2021 Board order by dismissing the opposition without

¹ 12 TTABVUE.

² 15 TTABVUE.

prejudice against Application Serial Nos. 90081512 and 90081540. Trademark Rule 2.106(c), 37 C.F.R. § 2.106(c).

II. BACKGROUND

Applicant seeks registration the composite mark  for “nutritional supplements” in International Class 5³ and “mixed fruit juices” in International Class 32.⁴ Opposer opposes registration on the grounds of: (i) likelihood of confusion under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d); and (ii) dilution under Section 43(c) of the Trademark Act, 15 U.S.C. § 1125(c).⁵ In support of its claims, Opposer has pleaded four registrations:

³ Application Serial No. 90081580; filed July 29, 2020, based on an allegation of an intent to use the mark under Section 1(b) of the Trademark Act, 15 U.S.C. § 1051(b).




⁴ Application Serial No. 90081586 filed July 29, 2020, based on an allegation of an intent to use the mark under Section 1(b) of the Trademark Act, 15 U.S.C. § 1051(b).

⁵ 12 TTABVUE. We note that Opposer’s additional assertion of a claim of false suggestion of a connection under Section 2(a) of the Trademark Act, 15 U.S.C. § 1052(a), is not sufficiently pleaded. To plead false suggestion of a connection Opposer must allege the following:

1. defendant’s mark is the same or a close approximation of the name or identity of a person or institution;
2. defendant’s mark would be recognized as such by purchasers, in that the mark points uniquely and unmistakably to the person or institution named or identified;
3. the person or institution named or identified is not connected with the goods sold or activities performed by the defendant under the mark; and
4. the name or identity of the person or institution identified is of sufficient fame or reputation that when the defendant’s mark is used in connection with its goods or services, a connection with the person or institution identified would be presumed.

Nike, Inc. v. Palm Beach Crossfit Inc., 116 USPQ2d 1025, 1031 (TTAB 2015).

We also note Opposer’s reference to a “family of marks”; however, “[s]imply using a series of similar marks does not of itself establish the existence of a family.” *J & J Snack Foods Corp.*

RED BULL'S REGISTERED MARK	REGISTRATION No.	GOODS/CLASS
	2946045	Non-alcoholic beverages, namely, energy drinks and hypertonic drinks, in Intl. Class 32
RED BULL	3092197	Non-alcoholic beverages, namely, energy drinks and hypertonic drinks, in Intl. Class 32
	3197810	Soft drinks; and sports drinks, in Intl. Class 32
	3838170	Clothing, namely, shirts, T-shirts, hats, caps, in Intl. Class 25; and Soft drinks, and sports drinks, in Intl. Class 32

In its answer, Applicant pleaded affirmative defenses of unclean hands and equitable estoppel⁶ and counterclaims to cancel Opposer's pleaded Registration

v. McDonald's Corp., 932 F.2d 1460, 18 USPQ2d 1889, 1891 (Fed. Cir. 1991). To plead ownership of a family of marks, a plaintiff must allege the following:

1. prior use of marks sharing a recognizable common characteristic;
2. that the common characteristic is distinctive (i.e., not descriptive or highly suggestive or so commonly used in the trade that it cannot function as the distinguishing feature of any party's mark); and
3. that prior to the defendant's first use (or constructive first use) of its involved mark, plaintiff's marks have been used and advertised in promotional material or in everyday sales activities in such a manner as to create common exposure and thereafter recognition among the purchasing public such that the common characteristic is itself indicative of a common origin of the goods or services.

Wise F&I, LLC v. Allstate Ins. Co., 120 USPQ2d 1103, 1109 (TTAB 2016).

⁶ Applicant's defense that "[t]here is no likelihood of confusion ... because [the parties' marks] are not confusingly similar" is not a true affirmative defense but an amplification of its denial of Opposer's Section 2(d) claim, and has been so construed.

No. 3092197 (the “197 Registration”) and Registration No. 3838170 (the “170 Registration”) as to Class 32 only.⁷

III. MOTION TO DISMISS

1. Legal Standard on Motion to Dismiss

A motion to dismiss under Fed. R. Civ. P. 12(b)(6) for failure to state a claim or counterclaim upon which relief can be granted is a test solely of the legal sufficiency of a complaint. *See Advanced Cardiovascular Sys. Inc. v. SciMed Life Sys. Inc.*, 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993). To withstand a motion to dismiss, a plaintiff need only allege sufficient factual content that, if proved, would allow the Board to conclude, or to draw a reasonable inference, that (1) the plaintiff is entitled to bring a statutory cause of action,⁸ and (2) a valid ground exists for opposing an application or cancelling a registration. *Doyle v. Al Johnson’s Swedish Rest. & Butik Inc.*, 101 USPQ2d 1780 (TTAB 2012). The complaint, therefore, must allege “enough facts to state a [counter]claim to relief that is plausible on its face.” *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570, 127 S. Ct. 1955, 1974 (2007). In particular, the

⁷ 14 TTABVUE. As indicated in the ESTTA coversheet to Applicant’s answer and counterclaims, Applicant has not petitioned to cancel the ’170 Registration for the goods in International Class 25. Indeed, the Office’s records show that Applicant paid the fee to cancel only one class of goods in the ’170 Registration.

⁸ Although the Board’s prior decisions have analyzed the requirements of Sections 13 and 14 of the Trademark Act, 15 U.S.C. §§ 1063-64, under the rubric of “standing,” those requirements are now considered under the rubric of “entitlement to a statutory cause of action.” Despite the change in nomenclature, the Board’s prior decisions and those of the Federal Circuit interpreting Sections 13 and 14 remain applicable as there is “no meaningful, substantive difference between the analytical frameworks” *Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 2020 USPQ2d 11277, *4 (Fed. Cir. 2020); *see also Spanishtown Enters., Inc. v. Transcend Res., Inc.*, 2020 USPQ2d 11388, *2 (TTAB 2020).

claimant must allege well-pleaded factual matter and more than “[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements.” *Ashcroft v. Iqbal*, 556 U.S. 662, 678, 129 S. Ct. 1937, 1949 (2009).

In determining a motion to dismiss under Fed. R. Civ. P. 12(b)(6), all of the plaintiff’s well-pleaded allegations must be accepted as true and the complaint construed in the light most favorable to the plaintiff. *See Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1538 (TTAB 2007). Matters outside the pleadings will not be considered on a motion to dismiss under Fed. R. Civ. P. 12(b)(6) as to do so would convert the motion to one for summary judgment, *see* Fed. R. Civ. P. 12(d), which the Board will not entertain prior to the moving party’s initial disclosures.⁹ *See* Trademark Rule 2.127(e)(1), 37 C.F.R. § 2.127(e)(1).

2. Entitlement to a Statutory Cause of Action

Applicant’s entitlement to a statutory cause of action to cancel the ’197 and ’170 Registrations is inherent in its position as defendant in the opposition proceeding. *Harry Winston, Inc. v. Bruce Winston Gem Corp.*, 111 USPQ2d 1419, 1428 (TTAB 2014) (“Applicant has standing based on opposers’ assertion of their marks and registrations against applicant in their notice of opposition.”).

⁹ The only exceptions to this rule are motions for summary judgment based on claim or issue preclusion or lack of Board jurisdiction. *See* Trademark Rule 2.127(e)(1).

3. Purported Fraud Claims

a. Fraud as to both Registrations for Goods in Unregistered International Class 33

With respect to both the '197 and '170 Registrations, Applicant alleges fraud on the ground that Opposer made material misrepresentations to the Office with respect to goods in **International Class 33**. The registrations, however, do not cover goods in International Class 33, and even if they did, Opposer's conduct with respect to goods in International Class 33 is wholly irrelevant to whether Applicant may maintain its registrations for goods in International Class 32. Applicant's various arguments to the contrary, it is well-established that "each class of goods or services in a multiple class [application or] registration must be considered separately when reviewing the issue of fraud, and judgment on the ground of fraud as to one class does not in itself require cancellation of all classes in a registration." *G&W Labs., Inc. v. G W Pharma Ltd.*, 89 USPQ2d 1571, 1574 (TTAB 2009); *see also, e.g. North Face Apparel Corp. v. Sanyang Indus. Co., Ltd.*, 116 USPQ2d 1217, 1228 (TTAB 2015) (explaining that each class in a multi-class application or registration is, in effect, a separate application or registration).¹⁰

In view of the foregoing, Applicant's counterclaims alleging fraud with respect to goods in International Class 33 are futile. Opposer's motion is granted and these counterclaims are dismissed with prejudice.

¹⁰ Applicant cites *Barbara's Bakery, Inc. v. Landesman*, 82 USPQ2d 1283 (TTAB 2007) to support its position that fraud as to one class of goods or services invalidates a multi-class registration or application in its entirety. This case, however, is inapposite. *Barbara's Bakery* involved a single-class application and stands only for the proposition that if fraud is found

b. Fraud in the '170 Registration Based on Nonuse of the Mark for the Registered Goods

With respect to International Class 32 in the '170 Registration, Applicant also alleges fraud on the ground that Opposer was not using the registered mark when Opposer filed its statement of use. In support of this allegation, Opposer relies on: (1) Applicant's specimen of use, filed July 1, 2010, that Applicant alleges shows use of "*two* charging bulls, one forward facing and other rearward facing" as opposed to the single forward facing charging bull subject to the registration; and (2) a reverse Google image search that did "not locate a single instance of use in commerce at any time up to and through July 1, 2010" of a forward facing charging bull.¹¹

Fraud in procuring a trademark registration occurs when an applicant for registration knowingly makes a specific false material representation or omission of fact in connection with an application to register, with the intent of obtaining a registration to which it is otherwise not entitled. *See In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009); *Qualcomm Inc. v. FLO Corp.*, 93 USPQ2d 1768, 1770 (TTAB 2010). Here, Applicant has not alleged that Opposer made any false representation or omission to the Office. In fact, Applicant alleges that the Office was aware of exactly how Opposer was using its mark based on the specimen of use

for some goods or services within a single class, fraud invalidates the entire class of goods/services.

Also, Applicant's arguments to overrule/reverse *G&W Labs* are unpersuasive, as the holding in *G&W Labs* is not "diametrically opposed to the USPTO's own position" that fraud as to any claim in a patent renders all the claims invalid. Unlike a trademark application that may cover more than one class, only one invention may be claimed in a single patent application. 37 C.F.R. § 1.142(a).

¹¹ 14 TTABVUE 18-20, ¶¶ 37-50.

Opposer filed in support of its registration.¹² In these circumstances, there can be no fraud.

Moreover, even if Applicant's Google image search did "not locate a single instance of use in commerce at any time up to and through July 1, 2010" when Applicant filed its statement of use, this would not be sufficient to demonstrate nonuse. "Use in commerce" "means the bona fide use a mark in the ordinary course of trade." 15 U.S.C. § 1127. Use on the Internet is not required.

For these reasons, Applicant's counterclaim of fraud based on nonuse of the mark in the '170 Registration is futile. Opposer's motion is granted and this counterclaim is dismissed with prejudice.

4. Abandonment

a. Abandonment with Respect to the '197 Registration

The sole basis for Applicant's counterclaim of abandonment with respect to the '197 Registration is that Opposer "was not using the mark ... in commerce in connection with all of the identified goods in Class 33 for three consecutive years, namely, at least within the period from May 16, 2006 to May 17, 2009."¹³ As explained above, the '197 Registration does not cover goods in International Class 33. Whether Opposer may have abandoned its mark for goods that would be properly classified in International Class 33 has no bearing on whether Opposer is entitled to maintain the

¹² In addition, the sufficiency of Opposer's specimen is an ex parte examination issue and not a ground for cancellation. *See, e.g., General Mills Inc. v. Health Valley Foods*, 24 USPQ2d 1270, 1273 n. 6 (TTAB 1992); *Marshall Field & Co. v. Mrs. Fields Cookies*, 11 USPQ2d 1355, 1358 (TTAB 1989).

¹³ 14 TTABVUE 28, ¶ 85.

'197 Registration for the enumerated goods in International Class 32. Accordingly, Applicant's counterclaim of abandonment based on nonuse of the mark in the '197 Registration for goods in International Class 33 is futile. Opposer's motion is granted and this counterclaim is dismissed with prejudice.

b. Abandonment with Respect to the '170 Registration

As to the '170 Registration, Applicant alleges abandonment on the ground that "Applicant's counsel conducted a reverse Google image internet search based on the stylized design of Opposer's '170 Registration, namely, the single forward facing charging bull, date limited from [Opposer's] registration date of August 24, 2010 up to August 25, 2013 in connection with energy drinks, soft drinks, and sport drinks" but was "unable to locate a single instance of use in commerce" during this time period.¹⁴

To adequately plead a counterclaim for abandonment, a counterclaimant must allege facts that "set forth a *prima facie* case of abandonment by a pleading of at least three consecutive years of non-use or must set forth facts that show a period of non-use less than three years coupled with an intent not to resume use." *Otto Int'l Inc. v. Otto Kern GmbH*, 83 USPQ2d 1861, 1863 (TTAB 2007) (internal citation omitted). At most, Applicant's allegations imply that Opposer did not promote or sell its goods in connection with the registered mark on the Internet. This allegation, even if proven, would not establish abandonment because nonuse of a mark on the Internet is not equivalent to a cessation of all use of a mark, as required for a finding of

¹⁴ 14 TTABVUE 20, ¶ 43.

abandonment.¹⁵ Accordingly, Opposer's motion to dismiss Applicant's counterclaim of abandonment as to the '170 Registration is granted and this counterclaim is dismissed.

IV. AFFIRMATIVE DEFENSES

1. Unclean Hands

In support of its affirmative defense of unclean hands, Applicant alleges that Opposer stated in an email that “[f]or the purposes of any potential opposition, our client would be relying on its common law rights in its RED BULL family of marks, which include, but are not limited to, the two logo marks shown below.”¹⁶ Applicant asserts that it “justifiably relied on Opposer’s explicit intention for Opposer to rely on its alleged common law rights in ‘any potential opposition.’”¹⁷ Further, Applicant alleges that Opposer’s initial complaint only asserted common law rights, but in response to Applicant’s motion to dismiss, Opposer amended its “original complaint to instead rely on Opposer’s federal registrations as opposed to alleged rights in common law.”¹⁸ Applicant alleges that it “must now defend against Opposer’s multiple cited federal registrations in this Opposition, instead of its alleged common law rights, which is directly contrary to what Opposer explicitly represented to

¹⁵ To the extent Applicant’s abandonment counterclaim is based on the theory that Opposer uses a mark consisting of “two charging bulls, one forward facing and other rearward facing” as opposed to the single forward-facing charging bull subject to the registration, we note that a registrant is entitled to choose what it seeks to register so long as that designation creates a distinct commercial impression. *See, e.g., In re Yale Sportswear Corp.*, 88 USPQ2d 1121, 1123 (TTAB 2008).

¹⁶ 14 TTABVUE 7.

¹⁷ *Id.* (emphasis omitted).

¹⁸ *Id.* at 8.

Applicant [in the email]. Accordingly, Opposer has inexplicably and unnecessarily delayed and needlessly increased the cost of these proceedings and has further abused this Board's time and resources with its actions ... [thus] Opposer has disregarded the provision of 37 CFR § 11.18(b)(i)."¹⁹

Opposer responds that "Applicant's own allegations and the pleadings of record are at odds with any inference that Red Bull represented to Applicant that it ... would not assert its registrations."²⁰ Specifically, Opposer explains that the email its counsel sent discussing Opposer's common law rights identified two of the registrations Opposer ultimately asserted in the amended Notice of Opposition.²¹ In addition, the original Notice of Opposition asserted that Opposer is "also the owner of various United States trademark registrations and common law rights in and to the trademarks."²² After, Applicant filed a motion to dismiss the notice of opposition, Opposer specifically pleaded the four registrations.

Unclean hands is an affirmative defense that is available in Board proceedings. *See* Trademark Rule 2.106(b)(1) and Fed. R. Civ. P. 8(b); *Seculus Da Amazonia S/A v. Toyota Jidosha Kabushiki Kaisha*, 66 USPQ2d 1154, 1157-58 (TTAB 2003); *Hornblower & Weeks Inc. v. Hornblower & Weeks Inc.*, 60 USPQ2d 1733, 1738 (TTAB 2001); *See also Duffy-Mott Company v. Cumberland Packing Company*, 424 F2d 1095, 165 USPQ 422, 425 (CCPA 1972) ("Trademark rights under the statute are no longer

¹⁹ *Id.* at 8-9.

²⁰ 17 TTABVUE 12.

²¹ *Id.*

²² *Id.*

divorced from equitable principles.”). To make out an unclean hands defense, a trademark defendant must show the defense is related to a plaintiff’s claim; that is, misconduct unrelated to the claim to which it is asserted as a defense does not constitute unclean hands. *Tony Lama Co. v. Di Stefano*, 206 USPQ 176, 179 (TTAB 1980); *VIP Foods, Inc. v. V.I.P. Food Prods.*, 200 USPQ 105, 112-13 (TTAB 1978). “The defense may result from any imaginable immoral or illegal conduct.” *Hornblower*, 60 USPQ2d at 1738.

We find that the pleaded allegations do not form the basis of an unclean hands defense. Opposer never stated or implied that it would not rely its pleaded registrations, and a pleading may be amended to amplify or clarify the grounds for opposition, including by pleading registrations. Fed. R. Civ. P. 15(a). Moreover, none of the recited actions constitute a violation of Trademark Rule 11.18. The affirmative defense of unclean hands is stricken.

2. Equitable Estoppel

Applicant also pleads the defense of equitable estoppel asserting that based on the same facts as set out for unclean hands:²³

- (1) Opposer has engaged in misrepresentation that lead Applicant to reasonably believe that Opposer will assert its claims against Applicant under its alleged common law rights in “any potential opposition”;
- (2) Applicant justifiably relied on Opposer’s misrepresentation; and
- (3) Applicant has been materially prejudiced based on its reliance by now having to defend against Opposer’s claims with respect to its federal registrations.

²³ 14 TTABVUE 9.

The equitable estoppel defense fails. The elements of equitable estoppel are: (1) 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) (emphasis in original). *See also* 15 U.S.C. § 1069. As discussed above, the email does not contain any representation about whether Opposer “might ultimately plead specific registrations in addition to ‘relying on common law rights.’” 17 TTABVue 14.

V. SUMMARY AND LEAVE TO REPLEAD

Opposer’s combined motion to dismiss and to strike is granted. Applicant’s counterclaims of fraud as to both registrations and counterclaim of abandonment with respect to the ’197 Registration are dismissed with prejudice. Applicant’s counterclaim of abandonment with respect to the ’170 Registration is dismissed. Applicant’s affirmative defenses are stricken.

It is the Board’s general practice to grant leave to amend, if an amended pleading would not be futile. *See, e.g., Wise F&I, LLC, et al. v. Allstate Ins. Co.*, 120 USPQ2d 1103, 1110 (TTAB 2016) (allowing time to cure defective pleading). Accordingly, if Applicant reasonably believes it has a basis to do so, Applicant is allowed until 30

days from the mailing date of this order to replead a counterclaim of abandonment as to the '170 Registration.²⁴

VI. PROCEEDINGS SUSPENDED

Other than Applicant filing an amended counterclaim pursuant to this order, proceedings are **suspended for thirty days**. If Applicant files an amended counterclaim, the Board will reset dates, including the time for Opposer to respond to Applicant's amended pleading. If Applicant does not file an amended counterclaim, proceedings will resume without any further action from the Board on the schedule set forth below:

Deadline for Discovery Conference	4/11/2022
Discovery Opens	4/11/2022
Initial Disclosures Due	5/11/2022
Expert Disclosures Due	9/8/2022
Discovery Closes	10/8/2022
Plaintiff's Pretrial Disclosures Due	11/22/2022
Plaintiff's 30-day Trial Period Ends	1/6/2023
Defendant's Pretrial Disclosures Due	1/21/2023
Defendant's 30-day Trial Period Ends	3/7/2023
Plaintiff's Rebuttal Disclosures Due	3/22/2023
Plaintiff's 15-day Rebuttal Period Ends	4/21/2023
Plaintiff's Opening Brief Due	6/20/2023
Defendant's Brief Due	7/20/2023
Plaintiff's Reply Brief Due	8/4/2023
Request for Oral Hearing (optional) Due	8/14/2023

²⁴ Applicant is reminded that any amended counterclaim must comply with Trademark Rule 11.18(b), 37 C.F.R. § 11.18(b). *See also* Fed. R. Civ. P. 11(b); *NSM Res. Corp. v. Microsoft Corp.*, 113 USPQ2d 1029, 1037-38 (TTAB 2014); TBMP §§ 318 and 527.02.

Generally, the Federal Rules of Evidence generally 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).