

ESTTA Tracking number: **ESTTA1160696**

Filing date: **09/20/2021**

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

Proceeding	91270550
Party	Plaintiff Hiller, LLC
Correspondence Address	TIMOTHY L. CAPRIA BRADLEY ARANT BOULT CUMMINGS LLP 1600 DIVISION STREET, SUITE 700 NASHVILLE, TN 37203 UNITED STATES Primary Email: nashvilleipdocketing@bradley.com Secondary Email(s): pwalker@bradley.com, tcapria@bradley.com, rswor@bradley.com 615-252-3811
Submission	Motion to Strike
Filer's Name	Kimberly Ingram
Filer's email	nashvilleipdocketing@bradley.com, kingram@bradley.com, pwalker@bradley.com, tcapria@bradley.com, rswor@bradley.com
Signature	/Kimberly Ingram/
Date	09/20/2021
Attachments	HillerMotiontoStrike.pdf(150382 bytes)

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

In the Matter of Application Serial No. 88/946,386



For the Trademark: (“HAPPY MONEY PROMISE IF YOU’RE NOT HAPPY, YOU DON’T PAY and Design”)

Published in the *Trademark Official Gazette* on May 18, 2021

HILLER, LLC,)	
)	
Opposer,)	
)	
v.)	OPPOSITION NO. 91270550
)	
SERVICE CHAMPIONS, LLC,)	
)	
Applicant.)	
)	

MOTION TO STRIKE

Opposer Hiller, LLC (“Hiller”) moves to strike the entirety of “Count III: Cancellation of Registration No. 5,362,969 – Failure to Police” (“Count III”) alleged in the Answer to Notice of Opposition, Affirmative Defenses, and Counter Claim filed by Service Champions, LLC (“Applicant”). In the alternative, Hiller moves to strike the reference to “failure to function” in Count III.

FACTUAL BACKGROUND

The Counterclaim arises out of Applicant’s improper attempts to subvert Hiller’s existing, properly protected trademark. Specifically, Applicant filed its Application No. 88/946,386 for HAPPY MONEY PROMISE IF YOU’RE NOT HAPPY, YOU DON’T PAY and Design mark (“Applicant’s Mark”) in International Class 37 for “HVAC contractor services; heating contractor

services; Heating equipment installation and repair; installation, repair and maintenance of heating equipment; Installation and repair of heating, ventilating and air conditioning equipment; Installation and replacement service for heating, ventilating and air conditioning systems; air duct cleaning services; plumbing; plumbing contractor services; plumbing services; Electrical repairs and installation of heating and air conditioning equipment” (the “Application”), on June 3, 2020. On May 18, 2021, the Application was published. Hiller filed for a 30-day request to extend the time to oppose on June 2, 2021, which was granted on June 3, 2021.

On July 19, 2021, Hiller filed a Notice of Opposition initiating this proceeding. Hiller’s Notice of Opposition was based on a likelihood of confusion between Applicant’s Mark and



Hiller’s mark, subject of U.S. Reg. No. 5,362,969, for “Air conditioning apparatus installation and repair; Air conditioning contractor services; Electrical contracting; Electrical contractor services; Electrical repairs, maintenance, and installation of electrical wiring, outlets, light fixtures, and electrical panels; HVAC contractor services; Plumbing; Plumbing contractor services; Plumbing services; Installation and repair of air conditioning apparatus; Installation and repair of heating, ventilating and air conditioning equipment; Installation and replacement service for heating, ventilating and air conditioning systems” in International Class 37 (“Hiller’s Mark”).

Applicant filed its Answer to Notice of Opposition, Affirmative Defenses,¹ and Counter Claim on August 13, 2021. After responding to Hiller’s allegations, Applicant includes a “Counterclaim for Cancellation” section (the “Counterclaim”). The Counterclaim consists of three

¹ Hiller notes that although Applicant titles its responsive pleading as such, Applicant did not plead any “affirmative defenses.”

separate counts: No Acquired Distinctiveness (Count I), Failure to Function as a Mark (Count II), and Failure to Police (Count III).

For the reasons explained below, as pled in the Counterclaim, Count III does not properly raise a sufficient ground for cancellation. Therefore, Hiller asks the Board to strike it in its entirety. In the alternative, Hiller asks the Board to strike the redundant “failure to function” ground for cancellation in Count III.

ARGUMENT

The Board may strike from a pleading any insufficient or impermissible defense, or any redundant, immaterial, impertinent, or scandalous matter. Fed. R. Civ. P. 12(f); TBMP § 506.01. Although “motions to strike are not favored,” the Board “has the authority to strike an impermissible or insufficient claim or portion of a claim from a pleading.” TBMP § 506.01. Based on this authority, the Board will strike counterclaims that are insufficient as a matter of law. *See, e.g., Finanz St. Honore, B.V. v. Johnson & Johnson*, 85 U.S.P.Q.2d 1478 (T.T.A.B. 2007) (granting motion to strike counterclaim and insufficient portions of counterclaims); *Novozymes Bioag, Inc. v. Cleary Chemicals, LLC*, Opposition No. 91200105, (T.T.A.B. 2013) (granting motion to strike single count of counterclaim).

I. The Board Should Strike Count III of Applicant’s Counterclaim in Full.

The Board should strike Count III of Applicant’s Counterclaim because it is an insufficient claim for cancellation. In a complaint (or counterclaim), a party must plead “a statutory ground or grounds for opposition or cancellation.” TBMP 309.03(c)(1). Applicant fails to do so. The stated ground—“failure to police”—is not itself a ground for cancellation. Instead, it is one type of conduct that can, in some cases, support abandonment as a ground for cancellation. For the reasons explained below, however, Applicant’s allegations of “failure to police” are not sufficient to support a claim for “abandonment” of Hiller’s Mark.

The statutory definition for abandonment is limited to when a mark’s “use is discontinued with intent not to resume use,” or “[w]hen any course of conduct of the owner, including acts of omission as well as commission, causes the mark to become the generic name for the goods or services on or in connection with which it is used or otherwise to lose its significance as a mark.” 15 U.S.C. § 1127. A “failure to police” can constitute abandonment, but “[i]f defendant attempts to prove ‘abandonment’ of the mark from failure to prosecute others, it faces a formidable burden.” McCarthy on Trademarks and Unfair Competition § 17:17 (5th ed.). Indeed, “[t]he statutory definition of ‘abandonment’ posits two possibilities in this situation: the mark owner’s ‘acts of omission’ by failing to sue others has caused the mark to either: (1) ‘become the generic name for the goods or services on or in connection with which it is used;’ or (2) causes the mark ‘to lose its significance as a mark.’” *Id.* (quoting 15 U.S.C. § 1127). Thus, while a “failure to police” abandonment claim is not *per se* invalid, it is a high bar which Applicant failed to plead.²

Applicant’s allegations are simple: Hiller failed to police Hiller’s Mark, Countercl. ¶ 26, Hiller let other parties use a similar mark, *id.* ¶ 27, and Hiller has not instituted any prior infringement actions related to its mark, *id.* ¶ 29. Thus, Applicant alleges that this failure has led to widespread use such that the public no longer associates Hiller’s Mark with Hiller. *Id.* ¶ 30. These allegations do not address the statutory definition for “abandonment.” Nothing in the Counterclaim suggests that Hiller manifested an “intent not to resume use” of its mark. *Id.* Such an allegation would make no sense—Hiller has used the mark continuously. Nor does Applicant

² Commentators note that “the actual relevancy of failure to prosecute others is to the possible impact such failure may have on the strength of the plaintiff’s mark.” McCarthy on Trademarks and Unfair Competition § 17:17 (5th ed.); *accord Am. Univ. v. Am. Univ. of Kuwait*, Cancellation No. 9204970, 2020 BL 64023 (TTAB Jan. 30, 2020) (not entertaining a separate abandonment claim based on “failure to police” and instead considering such defense in the context of likelihood of confusion claim).

attempt to explain how the Hiller Mark has become “the generic name for the goods or services *on or in connection with which it is used*” or (2) lost its significance as a mark. McCarthy on Trademarks and Unfair Competition § 17:17 (5th ed.) (emphasis added).

Instead, in an attempt to somehow tie its claim to a valid ground for cancellation, Applicant tosses the word “generic” into the last paragraph. But Applicant otherwise fails to plead genericness or alleged facts sufficient to meet the legal standard for genericness. “[T]here is only one legal standard for genericness: the two-part test set forth in *Marvin Ginn*.” *Princeton Vanguard, LLC v. Frito-Lay N. Am., Inc.*, 786 F.3d 960, 966 (Fed. Cir. 2015) (citing *H. Marvin Ginn Corp. v. Int'l Ass'n of Fire Chiefs, Inc.*, 782 F.2d 987 (Fed. Cir. 1986)). Under that test, “to determine whether a mark is generic under that test, the Board must first identify the genus of goods or services at issue, and then assess whether the public understands the mark, as a whole, to refer to that genus.” *Id.* Applicant wholly fails to plead either part of the genericness test, despite it being crucial to any possible abandonment claim it could have based on an alleged “failure to police.” Countercl. ¶¶ 25–30.

Even so, Applicant’s Counterclaim contradicts itself as to the timing of Hiller’s Mark’s alleged genericness. In Count III, Applicant argues that Opposer’s Mark “has *become* generic,” and attributes this to Opposer’s alleged “failure to take legal action.” Countercl. ¶ 30 (emphasis added). But the facts alleged in the Counterclaim point a different direction: Applicant alleges that Opposer’s Mark “is a generic design” that has “enjoyed widespread use in many different contexts for a long period of time.” *Id.* ¶ 6. Indeed, the Counterclaim emphasizes the notion that the general “smiley face was likely created in or around 1963” and has been regularly used on products unrelated to Hiller’s services. *Id.* ¶ 8. But Applicant’s attempt to have it both ways solidifies the

insufficiency of its “failure to police” counterclaim and its genericness allegation. Accordingly, the Board should strike Count III of Applicant’s Counterclaim in full.

II. Alternatively, the Board Should Strike Reference to “Failure to Function” in Count III of Applicant’s Counterclaim.

Alternatively, Applicant improperly attempts to intertwine a failure to function into Count III. Counterclaim ¶ 30. But Count II of Applicant’s Counterclaim wholly encompasses Applicant’s failure to function argument. *Id.* ¶¶ 20–24. “[T]he Board may order stricken from a pleading any insufficient defense or any *redundant*, immaterial, impertinent, or scandalous matter.” TBMP 506.01 (emphasis added). Thus, even if the Board does not strike Count III as a whole, the Board should still strike the “failure to function” allegations in Count III. Countercl. ¶ 30.

CONCLUSION

For the foregoing reasons, Hiller respectfully requests the Board issue an order striking Count III of Applicant’s Counterclaim. In the alternative, Hiller respectfully requests the Board issue an order striking reference to “failure to function” in Count III of Applicant’s Counterclaim.

Dated: September 20, 2021

Respectfully submitted,

BRADLEY ARANT BOULT CUMMINGS LLP

By: /s/ Kimberly M. Ingram

Phillip E. Walker (Tenn. Bar # 021739)

Timothy L. Capria (Tenn. Bar # 033235)

Kimberly M. Ingram (Tenn. Bar # 03591)

Richard W. F. Swor (Tenn. Bar # 037640)

1600 Division Street, Suite 700

Nashville, Tennessee 37203

Telephone: (615) 252-3811

Facsimile: (615) 248-3011

tcapria@bradley.com

Attorneys for Hiller

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing MOTION TO STRIKE has been served on SERVICE CHAMPIONS, LLC and its correspondent of record by forwarding said copy on September 20, 2021, via email to:

JONATHAN A. HYMAN
KNOBBE MARTENS OLSON AND BEAR, LLP
2040 MAIN STREET, 14TH FLOOR
IRVINE, CA 92614
UNITED STATES
efiling@knobbe.com, jonathan.hyman@knobbe.com

By: /s/ Kimberly M. Ingram
Kimberly M. Ingram