

ESTTA Tracking number: **ESTTA1343862**Filing date: **03/04/2024**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding no.	91286107
Party	Plaintiff Trulieve, Inc.
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Submission	Motion for Summary Judgment Yes , the Filer previously made its initial disclosures pursuant to Trademark Rule 2.120(a); OR the motion for summary judgment is based on claim or issue preclusion, or lack of jurisdiction. The deadline for pretrial disclosures for the first testimony period as originally set or reset: 06/08/2024
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Attachments	Trulieve response to MSJ.pdf(279837 bytes)

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

In the Matter of Application Serial No.
97/564,204
For the mark: THE ALCHEMY CODE

Trulieve, Inc.,

Opposer,

v.

The HER Effect LLC,

Applicant.

Opposition No. 91286107

**OPPOSER’S COMBINED OPPOSITION TO APPLICANT’S MOTION FOR
SUMMARY JUDGMENT AND CROSS MOTION FOR PARTIAL SUMMARY
JUDGMENT**

Opposer Trulieve, Inc., by and through its undersigned counsel, hereby responds in opposition to Applicant’s Motion for Summary Judgment filed February 3, 2024 (the “**Motion**”) and moves for partial summary judgment on issues of standing and likelihood of confusion.

I. INTRODUCTION

Opposer, together with a number of related companies, collectively referred to herein and in Opposer’s Notice of Opposition (the “**Notice**”) as “Trulieve” (Notice at ¶ 1), is a multistate cannabis operator providing a diverse range of goods and services under a number of different brands. Goods provided by Trulieve under its various brands admittedly include cannabis goods prohibited under the Controlled Substances Act, but also include federally lawful goods and services under various marks for which Trulieve has procured federal trademark registrations.

Trulieve has previously engaged in various corporate transactions and acquisitions, and through a series of transactions acquired CBx Enterprises LLC, a Colorado company and owner of various brands and trademarks, including the mark ALCHEMY used in connection with cannabis products as well as lawful goods and related services. Trulieve, through Opposer, filed the trademark applications asserted by Opposer in the Notice, and is undertaking various trademark enforcement efforts to protect its interests in its ALCHEMY mark, including the present opposition proceeding.

The present proceeding is currently in the discovery phase and discovery is underway. However, Applicant's Motion relies entirely on the parties' initial pleadings.

Opposer submits this response in opposition to Applicant's Motion to refute Applicant's misleading and mistaken contentions, and respectfully requests that the Board deny Applicant's pending Motion. Opposer also submits a cross motion for partial summary judgment herewith to narrow the number of outstanding issues in the proceeding.

II. BRIEF IN OPPOSITION TO MOTION FOR SUMMARY JUDGMENT

A. Legal Standard

Summary judgment is an appropriate method of disposing of cases in which there is no genuine dispute with respect to any material fact, thus leaving the case to be resolved as a matter of law. *See* Fed. R. Civ. P. 56(c)(1). A party moving for summary judgment has the burden of demonstrating the absence of any genuine dispute as to a material fact, and that it is entitled to judgment as a matter of law. *See Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986); *Sweats Fashions, Inc. v. Pannill Knitting Co. Inc.*, 4 USPQ2d 1793, 1796 (Fed. Cir. 1987). A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. *See Opryland USA Inc. v. Great American Music*

Show Inc., 23 USPQ2d 1471, 1472 (Fed. Cir. 1992); *Olde Tyme Foods, Inc. v. Roundy's, Inc.*, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992).

Additionally, the evidence of record and all justifiable inferences that may be drawn from the undisputed facts must be viewed in the light most favorable to the non-moving party. *See Lloyd's Food Prods. Inc. v. Eli's Inc.*, 25 USPQ2d 2027 (Fed. Cir. 1993); *Opryland USA*, 23 USPQ2d at 1472. Further, in considering whether summary judgment is appropriate, the Board may not resolve genuine disputes as to material facts and, based thereon, decide the merits of the opposition. Rather, the Board may only ascertain whether any material fact cannot be disputed or is genuinely disputed. *See Lloyd's Food Prods.*, 25 USPQ2d at 2029; *Olde Tyme Foods*, 22 USPQ2d at 1542.

B. Argument

Applicant asserts that it is entitled to summary judgment because Opposer does not have priority of use as compared to Applicant's constructive use dates. In particular, Applicant asserts that Opposer cannot establish priority because: 1) Applicant's constructive use date predates that of Opposer, 2) Opposer has no common law trademark rights because Opposer's use is illegal, and 3) Opposer is not the owner of the registrations asserted in the Notice. Each of these bases for Applicant's asserted legal premise entails questions of fact that require introduction and evaluation of evidence to assess. Applicant's Motion must fail, for the reasons set forth in more detail below with respect to each of Applicant's arguments.

As a preliminary matter, Applicant's Motion was filed before the parties had engaged in effective discovery, and Applicant is seeking judgment on the basis of the initial pleadings. While the discovery period in this proceeding remains open through April 24, 2024, the parties have been unable to engage in productive discovery to this point in the dispute, and Applicant

relies on nothing other than Opposer's Notice and exhibits thereto, along with Opposer's answer and exhibits thereto (the "Answer"), in support of its arguments.

In general, it is well understood that a party need not prove its case with evidence in the pleading stage. Prior decisions by the Board in analogous situations where, as here, a party seeks to dispose of a case for an alleged lack of detail at the pleading stage, are informative. In *Lewis Silkin LLP v. Firebrand LLC*, 129 USPQ2d 1015, 1018 (TTAB 2018), the Board noted that "there is no requirement for [the plaintiff] to 'prove its case at the pleading stage.'" (quoting *Lifetime Indus., Inc. v. Trim-Lok, Inc.*, 124 USPQ2d 1061, 1064 (Fed. Cir. 2017)). Likewise, Opposer cannot be expected to have proven its case with all relevant evidence in the initial pleading, which is essentially the position taken by Applicant. Instead, the pleading standard of *Iqbal/Twombly* applies, and Opposer has provided sufficient allegations and disclosures to plausibly demonstrate and provide Applicant with notice of a legally sufficient claim of ownership and priority. See *Lewis*, 129 USPQ2d at 1018 and fn. 3 ("the Federal Rules of Civil Procedure do not require a plaintiff to plead facts establishing that each element of an asserted claim is met." *Nalco Co. v. Chem-Mod LLC*, 125 USPQ2d 1832, 1841 (Fed. Cir. 2018) (quoting *In re Bill of Lading Transmission & Processing Sys. Patent Litig.*, 103 USPQ2d 1045, 1053 (Fed. Cir. 2012)).

Moving to the substance of Applicant's assertions and legal arguments, in its Motion, Applicant mistakenly and misleadingly mischaracterizes Opposer's pleadings and the "undisputed facts" of this proceeding in its effort to support the position that Opposer does not have priority and Applicant is entitled to summary judgment. Opposer submits this response in opposition to Applicant's Motion to direct the Board's attention to the flaws and conclusory mischaracterizations in Applicant's Motion, which must fail for the reasons set forth in more

detail below.

First Applicant asserts that “Opposer’s constructive use date is later than Applicant’s constructive use date,” referring to Applicant’s August 25, 2022 application filing date for Ser. No. 97/564,204 (“The Alchemy Code Application”) and Opposer’s November 15, 2022 application filing date for Ser. Nos. 97/678,129 and 97/678,144 (“Opposer’s Applications”). This argument is inaccurate, insofar as it is incomplete and does not account for Opposer’s prior use of the ALCHEMY mark that is the subject of Opposer’s Applications, nor does it account for the registrations for the ALCHEMY mark asserted in the Notice. 15 U.S.C. §1057(c) sets forth various factors involved in a priority determination involving a constructive use date, including exceptions to such a date being effective to confer priority:

Contingent on the registration of a mark on the principal register provided by this chapter, the filing of the application to register such mark shall constitute constructive use of the mark, conferring a right of priority, nationwide in effect, on or in connection with the goods or services specified in the registration against any other person except for a person whose mark has not been abandoned and who, prior to such filing—

(1) has used the mark;

(2) has filed an application to register the mark which is pending or has resulted in registration of the mark; or

(3) has filed a foreign application to register the mark... (emphasis added).

Applicant’s asserted priority over Opposer based on the August 25, 2022 constructive use priority date of The Alchemy Code Application thus depends on Opposer being unable to demonstrate that *any* of the exceptions enumerated in the statute are applicable. However, as set forth in the Notice and described further below, Opposer has set forth the plausibility of *both* of the first two listed exceptions. While Applicant’s second and third arguments are directed to addressing the factors of Opposer’s use of Opposer’s Mark and its ownership of the asserted

prior-filed registrations, each is likewise inaccurate and fails, as set forth below.

Applicant asserts in Section 2 of its argument that “Opposer has No Common-law Trademark Rights in the Opposer Mark’s because Opposer’s Use is Illegal.” Motion at pg. 6, section 2. Applicant’s argument is readily appreciated as a conclusory statement that is poorly, and misleadingly, supported. In this section of Applicant’s Motion, Applicant states that “Opposer claims it has accrued common-law rights in the ALCHEMY mark based on its common-law use of the ALCHEMY mark in conjunction with cannabis vaporizer pens, cartridges, and syringes.” Motion at pg. 7 (citing Notice at ¶¶ 2-3, along with Exhibit 1). Additionally, in the last sentence of this section of the Motion, Applicant asserts that “Opposer does not claim any common-law use of the ALCHEMY mark with any non-cannabis products.” Both assertions are baldly self-serving mischaracterizations of Opposer’s pleadings in the Notice.

While the paragraphs of the Notice referenced by Applicant in Applicant’s first statement above *do* state that Trulieve provides cannabis products, these paragraphs *also state that Trulieve provides non-cannabis goods and related services*. Elsewhere in its Motion, Applicant references this same portion of the Notice, specifically creating the defined term “Opposer’s Goods and Services,” with reference to the following text copied from the Notice: “providing a range of cannabis-derived goods, *non-cannabis merchandise, and related services* under the Alchemy Mark.” Motion at pg. 3, second paragraph (mis-referencing the Notice at ¶¶ 1 and 3, instead of 1-3)(emphasis added)). Accordingly, in the Motion, Applicant specifically references Opposer’s allegation of use of the mark in connection with non-cannabis merchandise and related services, in contradiction to its own argument that “Opposer does not claim any common-law use of the ALCHEMY mark with any non-cannabis products.” In addition,

Opposer alleges in paragraph 17 of the Notice that “Trulieve also provides a website with *consumer information services* in the field of cannabis and cannabis-derived products in connection with its ALCHEMY Marks” (emphasis added), which allegation in the pleading is conveniently overlooked by Applicant. Such services are separate and distinct from Trulieve’s provision of cannabis-derived goods and comprise a lawful component of the “related services” referenced in the pleadings. Applicant’s misleading and contradictory efforts to mischaracterize Opposer’s pleadings are puzzlingly inartful at best.

Elsewhere, in the section of the Motion setting forth the “undisputed facts,” Applicant states that “Opposer does not provide examples of or reference any use of Opposer’s Marks in conjunction with any non-cannabis products.” Motion at pg. 3, third paragraph. This assertion is also inaccurate and untrue. First, Opposer asserts the registrations for non-cannabis goods in the Notice. Second, the website captures shown in Exhibit 1 of the Notice demonstrate the provision of consumer information services in connection with Opposer’s mark, or alternatively, at least use analogous to trademark use in connection with such information services. Opposer notes that even if the information services shown in Exhibit 1 of the Notice are not deemed to show *technical* trademark use in connection with provision of consumer information services, a party may prove priority based on actual use or use analogous to trademark use (*see Central Garden & Pet Co. v. Doskocil Manufacturing Co., Inc.*, 2013 WL 4635990 at page 8 (TTAB 2013) (“a party may establish priority in a proceeding based on ‘analogous use,’”); *see also Fair Indigo LLC v. Style Conscience*, 85 U.S.P.Q.2d 1536, at page 4 (1539) (TTAB 2007), citing *Corporate Document Services Inc. v. I.C.E.D. Management Inc.*, 48 USPQ2d 1477, 1479 (TTAB 1998). While Opposer did not expressly allege priority based on use analogous to trademark use in its Notice, Opposer respectfully submits that such use is

within the scope of its asserted bases for priority and that the statements made by Opposer in the Notice, including the asserted registrations and attached Exhibits, establish genuine questions of material fact with respect to Opposer's priority of use that cannot be decided on summary judgment.

Opposer further notes that the well-understood purpose of notice pleading is to obviate the need to allege particular "magic words." *See Levi Strauss & Co. v. R. Josephs Sportwear, Inc.*, 36 USPQ2d 1328, 1330 (TTAB 1994). To the extent the Board determines that Opposer's pleadings are defective insofar as Opposer's prospective reliance on use analogous to trademark use as an element of its asserted basis for priority should have been expressly pleaded in the Notice, Opposer respectfully moves the Board for leave to amend its complaint.

Finally, as its third legal argument challenging Opposer's priority, Applicant asserts that Opposer is not the owner of the registrations asserted in the Notice. Specifically, in the Motion, Applicant states that "CBx assigned its entire interest in the Odyssey Trust Registration to the Odyssey Trust Company" and alleges that Opposer misstates the owner of the "Odyssey Trust Registration." Motion at pp. 3-4. However, it is Applicant that misstates the ownership of the registration in question, apparently mistakenly understanding the conveyance of a security interest to be an assignment of the entire interest. *See* Motion at Ex. 2 ("Conveyance" under Assignment 2 is a "SECURITY INTEREST"). Applicant further notes that "although Opposer alleges that CBx is a wholly owned subsidiary, Opposer does not allege that it controls the nature or quality of the CBx Registration goods or services." Motion at pg. 8, second paragraph.

As previously noted, Applicant's assertion regarding Odyssey Trust Company's ownership of the CBx Registration is simply incorrect, and the interest of Odyssey shown in the

USPTO records is a security interest, not an assignment of the entire interest as stated by Applicant.

Moreover, Applicant does not dispute that Opposer asserted that CBx and Opposer are related companies, merely that Opposer failed to assert that it “controls the nature or quality of the CBx Registration goods or services” and, consequently, “cannot rely on either the Odyssey Trust Registration or CBx Registration to [support] Opposer’s prior use of the ALCHEMY mark.” Motion at pg. 8, last paragraph.

Opposer submits that its exercise of control over the nature and quality of the goods and services provided under its ALCHEMY marks is implied in and readily understood from the Notice. However, to the extent the Board determines that the lack of an explicit allegation by Opposer to such effect constitutes a defect in its pleadings, Opposer respectfully moves for leave to amend its complaint.

In summary, the Motion filed by Applicant ignores and mischaracterizes assertions and evidence pleaded by Opposer that directly contravene Applicant’s assertions made in the motion, including in particular paragraphs 1-4 and 17 of the Notice along with the Exhibits to the Notice. Moreover, the factual allegations set forth in the Notice must be regarded as true under the applicable legal standard. Thus, in this case, there are genuine issues of material fact that remain to be resolved. As such, Applicant’s Motion must fail.

III. OPPOSER’S CROSS MOTION FOR PARTIAL SUMMARY JUDGMENT REGARDING LIKELIHOOD OF CONFUSION

A. Legal Standard

The legal standard for a motion for summary judgment has been previously set forth above in Section II.A. Additionally, a party may move for summary judgment for any portion

of a claim or defense (Fed. R. Civ. P. 56(a)), and the Board's rules implicitly encourage motions for partial summary judgment to narrow the issues to be proven at trial.

To prevail on its claim of likelihood of confusion, Opposer must establish "that there is no genuine dispute that [it has] standing to maintain this proceeding; that [it] has priority of use or that priority is not at issue; and that contemporaneous use of the parties' marks in connection with their respective services would be likely to cause confusion, mistake or to deceive consumers." *Eataly S.r.l. v. Eatelli Inc.*, Opp. No. 91233641, 2018 WL 3694164, at *3 (TTAB Aug. 2, 2018) (granting opposer's motion for summary judgment on claim of priority and likelihood of confusion). Opposer requests that the Board enter summary judgment for Opposer with respect to the issues of standing and of likelihood of confusion between Applicant's Mark and Opposer's mark in Opposer's Alchemy Applications (as those terms are defined in the Motion), for the reasons set forth below.

B. Opposer Has Standing

To establish standing in an opposition or cancellation proceeding, a plaintiff must show "both a 'real interest' in the proceedings as well as a 'reasonable basis' for its belief of damage." *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014) (quoting *ShutEmDown Sports, Inc. v. Lacy*, 102 USPQ2d 1036, 1041 (TTAB 2012)); *Ritchie v. Simpson*, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); *Lipton Indus., Inc. v. Ralston Purina Co.*, 213 USPQ 185, 189 (CCPA 1982). The Court of Appeals for the Federal Circuit has enunciated a liberal threshold for determining standing in Board proceedings. *Ritchie*, 50 USPQ2d at 1030. Any person who believes it is or will be damaged by registration of a mark has an entitlement to bring a statutory cause of action. 15 U.S.C. § 1063.

Opposer owns the applications pleaded in its Notice and has properly made them of

record by attaching those applications to its Notice, along with TSDR records showing current status and title in Opposer. Applicant has acknowledged this in its statement of “The Undisputed Facts” of the proceeding set forth in its pending motion (*see* Motion at Section II, pages 1 and 2 (“on November 15, 2022, Trulieve Inc. (‘Opposer’), filed U.S. Application No. 97/678,12/ and U.S. Application No. 97/678,144, collectively, ‘Opposer’s Applications’...”). Opposer believes and asserts in the Notice that the registration of the Application will result in a likelihood of confusion between Opposer’s and Applicant’s marks and that Opposer will be damaged if the Application proceeds to registration, as set forth by Opposer in ¶¶ 22 and 23 of the Notice. Accordingly, Opposer respectfully requests that the Board enter a determination that Opposer has established standing in the present proceeding.

C. Likelihood of Confusion

In this case, in its Answer, Applicant has expressly admitted to the likelihood of confusion between Opposer’s asserted Alchemy Applications and Applicant’s Mark. *See* Applicant’s Answer at Section F (“The registration of Alchemy Applications would likely cause confusion with Applicant’s Mark.”). In that section, Applicant further admits that Opposer’s “Alchemy Applications Services are a subset of Applicant’s Goods and Services and fall within Applicant’s Goods and Services” and that Opposer’s “Alchemy Applications are likely to cause confusion in the marketplace [with Applicant’s Mark] as to the source of the Alchemy Application Services...” Answer, ¶¶ 40 and 41. Accordingly, there is no genuine dispute as to the issue of likelihood of confusion between Opposer’s Alchemy Applications and Applicant’s Mark, and Opposer respectfully requests that the Board enter a determination that Applicant’s Mark and Opposer’s Alchemy Applications are likely to be confused.

IV. CONCLUSION

Opposer accordingly requests that the Board deny Applicant's Motion for Summary Judgment, or, if the Board deems Opposer's pleadings to be defective with respect to the particularity with which Opposer's claims in the proceeding are set forth, grant Opposer leave to amend its Notice of Opposition. Opposer further requests that the Board grant Opposer's Cross Motion for Partial Summary Judgment with respect to the issues of standing and likelihood of confusion, thereby narrowing the outstanding issues in the proceeding to that of priority.

Dated this 4th day of March 2024.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing OPPOSER'S COMBINED OPPOSITION TO APPLICANT'S MOTION FOR SUMMARY JUDGMENT AND CROSS MOTION FOR PARTIAL SUMMARY JUDGMENT has been served on opposing counsel by forwarding said copy on March 4, 2024, via email to:

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