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

Proceeding	92054577
Party	Plaintiff BIC Corporation, BIC USA Inc., and Norwood Promotional Products LLC
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the matter of Registration No. 3,718,333 ) Cancellation No. 92054577  
For the Trademark **ALL-IN-ONE** (Design) )  
Registered December 1, 2009 )  
\_\_\_\_\_) )  
BIC CORPORATION, BIC USA INC., and )  
NORWOOD PROMOTIONAL PRODUCTS, LLC,) )  
 )  
Petitioners, )  
v. )  
 )  
MARKETQUEST GROUP, INC. )  
 )  
Registrant. )  
\_\_\_\_\_)

**STATUS UPDATE**

Petitioners BIC Corporation, BIC USA Inc., and Norwood Promotional Products, LLC (collectively, “Petitioners”) hereby provide the Board with a status update for the civil action which occasioned the suspension of this proceeding.

The civil action, namely, *Marketquest Group, Inc. v. BIC Corporation et al.*, United States District Court, Southern District of California, Case No. 3:11-cv-00618-BAS-JLB, is still pending. The district court judge recently requested a joint statement from the parties on how to proceed given the recent Ninth Circuit reversal of the district court’s grant of summary judgment. A true and correct copy of this joint statement is hereby attached. Of special note is Section III, which the parties discuss their opposing views on the invalidity claims.

To summarize, as part of the oral arguments regarding summary judgment, Petitioners noted that they would voluntarily dismiss the invalidity counterclaims should they prevail on the fair use defense. The district court then later granted summary judgment on the fair use

defense and accordingly dismissed the invalidity counterclaims without prejudice. The Ninth Circuit reversed summary judgment, and thus Petitioners have requested to reinstate the invalidity counterclaims. Registrant has argued that the cross-appeal rule forbids such reinstatement, but the cross-appeal rule should not come into play at all, especially not to claims never decided on the merits and dismissed without prejudice.

Should the district court refuse to reinstate the invalidity counterclaims, Petitioners will request that the current proceeding be resumed. However, at this time, as the district court has yet to decide on the issue, Petitioners respectfully request that the current stay remain in effect.

The undersigned also hereby certifies that a copy of this paper has been served upon counsel for Registrant, at their address of record by email on this date.

Respectfully submitted,

Date: November 6, 2017

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18 **IN THE UNITED STATES DISTRICT COURT**  
19 **FOR THE SOUTHERN DISTRICT OF CALIFORNIA**

20  
21 MARKETQUEST GROUP, INC.,  
22  
23 Plaintiff,  
24 vs.  
25 BIC CORPORATION, *et al.*,  
26 Defendants.  
27  
28

Case No. 11-cv-0618 BAS (JLB)  
**Judge: Hon. Cynthia A. Bashant**  
**JOINT STATEMENT POST-**  
**APPEAL**  
[ECF No. 383]

1 Plaintiff and Defendants, pursuant to this Court's *Orders* (ECF 383, 385),  
2 herewith submit their *Joint Statement* regarding how this case should proceed, given  
3 the Ninth Circuit's recent *Mandate*. (ECF 377.)

#### 4 **PLAINTIFF'S PRELIMINARY STATEMENT**

5 In reversing this Court's rulings, the Ninth Circuit held that fact issues remain  
6 for trial on each element of Defendants' fair use defense, *and* on the degree of likely  
7 confusion between Defendants' uses and Plaintiff's marks – a factor in assessing  
8 whether those uses were “objectively fair.” (ECF 377 at 13-19); *KP Permanent Make-*  
9 *Up, Inc. v. Lasting Impression I, Inc.*, 408 F.3d 596, 609 (9th Cir. 2005). Further, for  
10 “THE WRITE (PEN) CHOICE,” the Ninth Circuit held this Court erred in applying  
11 the defense, because it only comes into play once a likelihood of confusion is found,  
12 yet this Court concluded there was “no evidence of actual or potential confusion,”  
13 without conducting a *Sleekcraft* analysis. (ECF 377 at 19-20.) Thus, “fair use” must  
14 be decided by a jury, including the degree of likely confusion relevant to “objective  
15 fairness,” for both “ALL IN ONE” and “THE WRITE CHOICE.” And, for “THE  
16 WRITE CHOICE,” the jury must first decide whether Defendants infringed Plaintiff's  
17 rights, thereby making the defense potentially available.

18 Defendants want the Court to reopen dispositive motion practice for new  
19 briefing on the *Sleekcraft* factors, so it may decide whether a likelihood of confusion  
20 exists as to “THE WRITE CHOICE.” Plaintiff opposes this suggestion. First, the  
21 deadline for dispositive motions has long passed; the “likelihood of confusion” was  
22 always integral to this case, and is no surprise to Defendants; and, Defendants chose  
23 the three motions they wished to pursue (ECF 258 at 11; 214; 215; 216), which were  
24 fully briefed and argued, and did not file a motion on this issue. The window for  
25 dispositive motions should not be reopened, nor rebriefing of the extant motions  
26 permitted, as this would undermine Plaintiff's right to a just, speedy and inexpensive  
27 determination of its claims. *E.g.*, Fed. R. Civ. P. 1. Second, as Defendants have  
28 conceded, and the *Mandate* emphasizes, summary judgment is disfavored on this

1 issue, because it is so inherently factual. (ECF 215-1 at 6; 377 at 6, 13); *Fortune*  
 2 *Dynamic, Inc. v. Victoria’s Secret Stores Brand Management, Inc.*, 618 F.2d 1025,  
 3 1030-1031 (9th Cir. 2010). Finally, even if the Court could decide *whether* a  
 4 likelihood of confusion exists, the *degree* thereof, and its impact on “objective  
 5 fairness,” are issues for the jury. *Id.* Thus, “fair use,” and threshold determinations  
 6 regarding the likelihood of confusion, and its degree, must be decided at trial.

7 The Ninth Circuit also upheld reverse confusion as a plausible, well-pleaded  
 8 theory of confusion herein (ECF 377 at 10), which, as explained below, affects  
 9 certain motions previously terminated as moot. Finally, the Court ruled that: the  
 10 “intent” factor of the *Sleekcraft* analysis in reverse confusion cases is satisfied by  
 11 evidence, *inter alia*, that a “defendant deliberately intended to push the plaintiff out of  
 12 the market . . ., knew of the mark, should have known of the mark, intended to copy  
 13 the plaintiff, failed to conduct a reasonably adequate search, or otherwise culpably  
 14 disregarded the risk of reverse confusion” (*id.*, at 12), and the same evidence is  
 15 relevant to the third element of fair use. (*Id.*, at 17.) These rulings also affect motions  
 16 earlier terminated as moot, as discussed below.

### 17 **DEFENDANTS’ PRELIMINARY STATEMENT**

18 The Court did not address major portions of the prior motions for summary  
 19 judgment because it did not have to, ruling instead on fair use. Now that the Ninth  
 20 Circuit has reversed in part, those other portions must be addressed. The Ninth Circuit  
 21 ruling and remand also raises other issues that in fairness the parties should have the  
 22 opportunity to address to this court on summary judgment. This case should not be  
 23 rushed to trial without giving this Court the benefit of the opportunity to address the  
 24 issues the Ninth Circuit raised, as well as those issues that the parties previously  
 25 raised but were not addressed.

#### 26 **I. BIC USA’s Summary Judgment Motion (“The Write Choice”) [ECF 215]**

##### 27 **A. Plaintiff’s Position**

28 As explained above, it is too late for Defendants to seek summary judgment on

1 “likelihood of confusion,” and Plaintiff’s claims regarding “THE WRITE CHOICE”  
 2 must be decided by a jury, which must first decide whether such a likelihood exists;  
 3 then determine whether the fair use defense is available under each element; and,  
 4 decide whether Defendants’ uses were “objectively fair,” given, *inter alia*, the *degree*  
 5 of likely confusion.<sup>1</sup> And, fact issues remain for trial under each fair use element. For  
 6 example, the Ninth Circuit held that evidence sufficient to preclude summary  
 7 judgment on the “good faith” element of fair use includes, *inter alia*, “Defendants’  
 8 use of two of [Plaintiff’s] marks in the same year.” (*See* ECF 377 at 18.) This analysis  
 9 applies to Defendants’ uses of “ALL IN ONE” coterminously with “THE WRITE  
 10 CHOICE,” precluding summary judgment on BIC USA’s defense.<sup>2</sup> The *Mandate*’s  
 11 guidance on the remaining factors, including the *degree* of likely confusion, also  
 12 require jury findings (*see* ECF 377 at 13-21), dictating that Plaintiff’s subject claims  
 13 be resolved at trial.<sup>3</sup>

14 The remainder of BIC USA’s motion argues Plaintiff is not entitled to  
 15 monetary recovery, on the same grounds argued by Norwood, and discussed *infra*, at  
 16 Section II.A. (*Compare* ECF 215-1 at 19-26 with ECF 214-1 at 21-30.) For the same  
 17 reasons discussed below, the Court must assess Plaintiff’s evidence of willfulness  
 18 here, using the intent standard specified in the *Mandate*. *See* discussion, *supra*, at p. 2;  
 19 (ECF 258 at 31-33.)

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20  
 21 <sup>1</sup> Because the *degree* of likely confusion remains relevant to fair use, under  
 22 Ninth Circuit precedent, including the *Mandate*, and the Supreme Court’s ruling in *KP*  
 23 *Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 123 (2004),  
 Defendants’ belief that fair use may be decided without a *Sleekcraft* analysis is  
 misguided, and a *petition for certiorari* on that issue is highly unlikely to succeed.

24 <sup>2</sup> Moreover, it continues to apply even if Defendants’ uses of “THE WRITE  
 25 CHOICE” were deemed noninfringing. An “intent to come as close as the law will  
 allow,” can create an inference of bad faith. *E.g.*, *AmBrit v. Kraft, Inc.*, 812 F.2d 1531,  
 1542 (11<sup>th</sup> Cir. 1986).

26 <sup>3</sup> Plaintiff disagrees with Defendants’ claim that it did not address the *Sleekcraft*  
 27 factors in prior briefing, and the Ninth Circuit was not persuaded by this argument on  
 28 appeal. Plaintiff did address them in opposition to Defendants’ motions, though the  
 arguments were not separately encaptioned, and incorporated that material by  
 reference in opposition to BIC USA’s subject motion.

1           **B. Defendants’ Position**

2           While Defendants are considering petitioning the Supreme Court regarding the  
3           necessity of conducting a *Sleekcraft* analysis before reaching the fair use defense, the  
4           Ninth Circuit specifically stated in the last page of its opinion that it “remand[s] for  
5           the district court to consider Marketquest’s trademark infringement claim regarding  
6           Defendants’ use of ‘The Write Choice.’” (ECF 377 at 20.) Therefore, this Court still  
7           needs to consider the *Sleekcraft* factors regarding “The Write Choice” and re-evaluate  
8           the fair use defense in light of the *Sleekcraft* factors. The *Sleekcraft* factors were not  
9           previously briefed by either party on summary judgment; even Plaintiff did not  
10          address them in its opposition brief. *See* ECF 258 *generally*. Only during the appeal  
11          did Plaintiff and its new counsel argue for the first time that the *Sleekcraft* factors  
12          required consideration before fair use could be considered. *See id.* Given that the  
13          Ninth Circuit has clarified that this analysis is necessary and has directed this Court to  
14          consider the *Sleekcraft* factors that were not previously briefed, it makes sense to  
15          allow the parties to provide supplemental briefing on this issue. If necessary, this  
16          Court may then consider the fair use defense as it pertains to “The Write Choice.”

17          Should this Court not rule in Defendants’ favor on the above, BIC USA’s  
18          motion also requested summary judgment for (i) lack of actual confusion, and (ii)  
19          lack of genuine issue of fact that Plaintiff is not entitled to any monetary recovery, an  
20          assessment within the purview of this Court pursuant to 15 U.S.C. § 1117(a). These  
21          issues should be adjudicated if summary judgment is not granted on other grounds.  
22          Contrary to Plaintiff’s claims, the standard of “willfulness” required to disgorge  
23          profits was not at issue on appeal. Should this Court disagree, Defendants respectfully  
24          request supplemental briefing on this issue.

25          **II. Norwood’s Summary Judgment Motion (“All in One”) [ECF 215]**

26               **A. Plaintiff’s Position**

27          The *Mandate* requires that Norwood’s fair use defense be resolved at trial, as  
28          discussed, *supra*, at p.2. Defendants claim a further *Sleekcraft* analysis is warranted,



1 but it is not, because Defendants did not seek summary judgment on “likelihood of  
 2 confusion;” the deadline for doing so has passed, and, contrary to their assertions, the  
 3 preliminary injunction analysis was *mainly* a *reverse confusion* one. (See ECF. 41 at  
 4 9-12 (correctly assessing *conceptual* strength of Plaintiff’s marks vs. *commercial*  
 5 strength of Defendant’s, in reverse confusion case, see *JL Bev. Co., LLC v. Jim Beam*  
 6 *Brands Co.*, 828 F.3d 1098, 1107 (9th Cir. 2016); ECF 41 at 14-15, referencing  
 7 reverse confusion). Though the Court applied the wrong standard for “intent,”  
 8 favoring Defendants, the Ninth Circuit has now clarified the test for that factor. The  
 9 rest of Norwood’s motion claims Plaintiff is entitled to no monetary recovery (see  
 10 ECF 214-1 at 21-30), and previously, Norwood argued this was so because Plaintiff  
 11 could not prove Norwood “willfully infringed” its mark, as “willfulness” requires that  
 12 Norwood “attempt[] to gain the value of an established name” (ECF 214-1 at 23-24),  
 13 under the forward confusion standard in *Lindy Pen*, which predated this Circuit’s  
 14 recognition of reverse confusion actions. (ECF 258 at 31-33.) Given the *Mandate*, the  
 15 Court cannot apply this standard; instead, it must employ the intent standard  
 16 enunciated therein. See discussion *supra* at p.2 and Section I.A);<sup>4</sup> (ECF 258 at 31-33.)

### 17 **B. Defendant’s Position**

18 The Ninth Circuit held that this Court need not conduct another *Sleekcraft*  
 19 analysis for “All in One,” when such analysis had previously been conducted. (*Id.* at  
 20 18-19.) However, reliance on the analysis performed during the preliminary  
 21 injunction stage is problematic for two reasons: (1) During the preliminary injunction  
 22 stage, the analyses for the *Sleekcraft* factors were conducted using *forward* confusion  
 23

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24 <sup>4</sup> Contrary to Defendants’ claim, the Ninth Circuit did **not** find “that the  
 25 *catalogue* use of the phrase ‘all in one’ [sic] was descriptive and not a trademark use.”  
 26 Rather, it stated that an argument could be made that the use was descriptive (ECF  
 27 277 at 16), without commenting on the separate issue of “trademark use,” which  
 28 cannot be conflated with the first. A reasonable juror could find that Defendants’ use  
 was “suggestive,” rather than “descriptive;” that it was a trademark use for the  
 catalogues, and goods depicted therein; and, that, whether or not “descriptive,” it was,  
 nonetheless, a trademark use, because it attained secondary meaning. These issues can  
 only be resolved at trial.

1 factors; (2) most of Plaintiff’s evidence would not have survived summary judgment  
2 evidentiary standards. *See* FRCP 56(c). As to the first point, in a reverse confusion  
3 case, the strength of the junior user’s mark is at issue, not the strength of the senior  
4 user’s mark. *Glow Indus. v. Lopez*, 252 F.Supp.2d 962, 988 (C.D.Cal. 2002) (citations  
5 omitted). Yet, the preliminary injunction papers, including this Court’s Order,  
6 addressed only the strength of Plaintiff’s—the senior user’s—mark. (ECF 26-1; ECF  
7 35; ECF 41.) Had this Court considered the “strength” of *Norwood’s* use of the “all  
8 in one” phrase, the balancing of the factors may have yielded a different result. In  
9 addition, the “intent” factor considered at this stage was for *forward* confusion; i.e.,  
10 whether Defendants “deliberately adopted the ALL-IN-ONE mark to obtain  
11 advantage from Marketquest’s goodwill.” (ECF 41, p.19.)

12 As to the second point, Plaintiff’s evidence, the prime example being the  
13 alleged actual confusion evidence—a factor this Court weighed slightly in Plaintiff’s  
14 favor—would not survive summary judgment evidentiary standards. (*Id.* at 16-17.)  
15 Thus, supplemental briefing on either all or some of the above-identified *Sleekcraft*  
16 factors for “All in One” should also be allowed.

17 As with BIC USA’s motion, portions of *Norwood’s* motion for summary  
18 judgment were not previously adjudicated, namely, the lack of genuine issue of fact  
19 that Plaintiff is not entitled to any monetary recovery, an assessment within the  
20 purview of this Court. *See* 15 U.S.C. § 1117(a). Contrary to Plaintiff’s claims, the  
21 standard of “willfulness” required to disgorge profits was not at issue on appeal.  
22 Should this Court disagree, Defendants respectfully request supplemental briefing on  
23 this issue. But it should not be necessary because the Ninth Circuit found that the  
24 *catalogue* use of the phrase “all in one” was descriptive and not a trademark use.  
25 (ECF 377 at 14-15.) However, the profits sought by Plaintiff are Defendants’ profits  
26 for the goods sold under the *catalogue* (still problematic in that it is not attributable to  
27 the offending phrase); Plaintiff has not shown that the requested profits are  
28 attributable to the *non-catalogue* uses. (ECF 218-1 at 5.)

1 Finally, though at first blush it may appear the Ninth Circuit has foreclosed  
 2 summary judgment as to the fair use of the phrase “all in one,” that is not the case.  
 3 The Ninth Circuit found that it is not enough that Defendants knew of Plaintiff’s  
 4 marks; only combined with Defendants’ “use of [the] two marks in the same year”  
 5 does intent become a jury issue. (ECF 377 at 17.) Yet, using the likelihood of  
 6 confusion analysis, should this Court rule that either mark was not infringed upon,  
 7 then Defendants did not in fact use both phrases as marks or “target” two marks, and  
 8 the fair use defense may still apply to the *catalogue* uses of the phrase “all in one.”

### 9 **III. BIC Corporation’s Summary Judgment Motion (Invalidity) (ECF 216)**

#### 10 **A. Plaintiff’s Position**

11 The *Order* that Plaintiff appealed (ECF 327; 377 at 6) *denied* BIC  
 12 Corporation’s summary judgment motion (ECF 216; 327 at 11.),<sup>5</sup> and Defendants  
 13 neither sought reconsideration of that ruling nor pursued a cross-appeal in the Ninth  
 14 Circuit. Because the reopening of that issue on remand could lessen Plaintiff’s rights  
 15 under the *Judgment*, precluding its ability to enforce its marks against *anyone*, while  
 16 enlarging Defendants’ rights beyond those enjoyed under the *Judgment*, the “cross-  
 17 appeal rule,” to which no court has ever recognized an exception, *El Paso Natural*  
 18 *Gas Co. v. Neztosie*, 526 U.S. 473, 480 (1999); *Lazare Kaplan In’tl, Inc. v.*  
 19 *Phoscribe Techs., Inc.*, 714 F.3d 1289, 1297 (Fed. Cir. 2013); *Enovsys LLC v. AT&T*  
 20 *Mobility LLC*, No. CV 11-5210 SS, 2016 U.S. Dist. LEXIS 87815, \*8-11(C.D. Cal.  
 21 2016), means this Court has no jurisdiction to reinstate or reconsider the subject  
 22 motion or counterclaims, which are no longer part of this case. *Res judicata* is  
 23 irrelevant to the rule, and it applies on remand, as well as in appellate contexts. *See*  
 24 *Lazare*, 714 F.3d at 1294-95. Moreover, it is irrelevant that Defendants’ invalidity  
 25 arguments mean only that it is “possible” that Plaintiff’s rights may be lessened, or  
 26 Defendants’ enlarged, depending on the ultimate adjudication. The rule applies when

27  
 28 <sup>5</sup> Before this Court ruled on the summary judgment motions, Defendants abandoned Counterclaim Nos. 6, 10 and 12. (ECF 19 at 16-17, 20-21, 22-23.)

1 a party “*seeks*” to enlarge its rights, or lessen those of its adversary, under a  
2 judgment, *id.*, at 1293, and that is what Defendants seek to do. Finally, the rule has  
3 been applied specifically to intellectual property cases in which issue of infringement  
4 / non-infringement were raised on appeal, while invalidity issues were not. *E.g.*,  
5 *Lazare*, 714 F.3d 1289.

6 **B. Defendants’ Position**

7 Defendants represented to this Court during oral argument that they would not  
8 pursue their counterclaims for invalidity should this Court grant summary judgment  
9 on fair use. (ECF 327 at fn.6.) Thus, when this Court granted summary judgment on  
10 fair use, it dismissed the counterclaims. (*Id.* at 11.) This was a dismissal without  
11 prejudice pursuant to F.R.C.P. 41(a)(2). “Dismissal without prejudice” is a dismissal  
12 that does not “operate as an adjudication upon the merits,” “and thus does not have a  
13 *res judicata* effect...[and] would...not preclude the refiling of a complaint.” *Cooter*  
14 *& Gell v. Hartmarx Corp.*, 496 U.S. 384, 396 (1990). Nor would it have an issue  
15 preclusion effect. *See The Urock Network, LLC v. Umberto Sulpasso*, 115 USPQ2d  
16 1409 (TTAB 2015). This Court did not decide the invalidity counterclaims on their  
17 merits. Now that the Ninth Circuit has reversed in part the grant of summary  
18 judgment, the counterclaims should not be dismissed, and BIC Corporation’s  
19 summary judgment motion should be considered.

20 Plaintiff argues that because Defendants failed to cross-appeal, the  
21 counterclaims are no longer at issue. However, none of Plaintiff’s cited cases support  
22 this inequitable “gotcha” argument. Instead, Plaintiff’s cases deal with issues decided  
23 on the merits—injunctions and *rulings* regarding invalidity. Indeed, “[i]t is only  
24 necessary...to file a cross-appeal when a party seeks to enlarge its own rights under  
25 the judgment or to lessen the rights of its adversary under the judgment.” *See Lazare*,  
26 *supra*, 714 F.3d at 1293 (Fed.Cir. 2013). Had this Court ruled against Defendants by  
27 finding that Plaintiff’s marks were valid, seeking a different result would indeed  
28 lessen Plaintiff’s rights. But neither Plaintiff’s trademark rights nor Defendants’

1 ability to use similar phrases would be enlarged or lessened by the mere *existence* of  
 2 the invalidity counterclaims whose merits have not been decided. Reinstatement of  
 3 the counterclaims at best provides a *possibility* that rights may be *eventually* be  
 4 enlarged or lessened—or neither, if the parties were to agree to the appropriate  
 5 settlement terms. Thus, the cross-appeal rule does not even come into play.

6 Even assuming that for some reason this Court’s order on summary judgment  
 7 cannot be changed to the extent it was not appealed, given that it was a dismissal  
 8 without prejudice, this Court could simply allow Defendants to reassert the  
 9 counterclaims; or, the Defendants could simply lift the stay on the pending Trademark  
 10 Trial and Appeal Board actions and litigate the issues there. *See The Urock Network,*  
 11 *supra*, 115 USPQ2d at 1410. But to need to resort to such convoluted and inefficient  
 12 alternatives only serves to highlight that the cross-appeal rule was never meant to  
 13 apply to rulings not decided on the merits and that have no bearing on anyone’s  
 14 rights. Thus, to the extent that any jury issues remain as to Plaintiff’s claims,  
 15 Defendants’ counterclaims should be reinstated and BIC Corporation’s motion for  
 16 summary judgment as to mark invalidity should also be decided.

#### 17 **IV. Plaintiff’s Summary Judgment Motion [ECF 205]**

##### 18 **A. Plaintiff’s Position**

19 Defendants’ failure to pursue a cross-appeal on the dismissal of their  
 20 counterclaims, means the Court need not decide Plaintiff’s motion for summary  
 21 judgment thereon. However, Plaintiff’s motion (ECF 205-1 at 16-20, 24-31)  
 22 regarding Defendants’ affirmative defenses of “invalidity” (*i.e.*, Fraud, Abandonment,  
 23 Invalidity, and Lack of Distinctiveness) (ECF 19 at 8-9) are appropriate for decision.  
 24 Plaintiff’s motion regarding Defendants’ remaining defenses<sup>6</sup> (*i.e.*, trademark misuse,  
 25 laches, and unclean hands) may also be decided. Finally, without counterclaims or  
 26

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27 <sup>6</sup> Before this Court ruled on the summary judgment motions, Defendants  
 28 expressly abandoned Affirmative Defense Nos. 2 (Acquiescence), 7 (Waiver), 8  
 (Estoppel), 10 (Statute of Limitations) and 20 (Nominative Fair Use) (ECF 19 at 6-9.)

1 defenses challenging Plaintiff's marks, they should be declared valid and protectable  
2 for purposes of trial, leaving only likelihood of confusion, fair use, and damages in  
3 issue. (*See* ECF 205-1 at 27, 32.)

4 Finally, in briefing the validity of Plaintiff's marks, Defendants argued that  
5 Plaintiff's evidence of secondary meaning was insufficient, citing, *inter alia*, Poret's  
6 survey. (ECF 254 at 18, n. 4.) As discussed below, that survey must be excluded, and  
7 thus, this argument should be disregarded. Further, as Plaintiff's reply in support of  
8 its motion (ECF 275 at 9) noted, a "lesser evidentiary burden exists with regard to  
9 secondary meaning and a minimal showing may be sufficient." Whereas, this is a  
10 reverse confusion case per the *Mandate*, the lesser burden should apply.

#### 11 **B. Defendants' Position**

12 As discussed above, the counterclaims for invalidity are still part of the case.  
13 As discussed below, the Hal Poret survey and testimony have not been affected by the  
14 Ninth Circuit opinion and thus should not be disregarded. As to Plaintiff's argument  
15 regarding the "lesser evidentiary burden," that applies solely to the *Sleekcraft* analysis  
16 and has no bearing on the marks' validity. *See Cohn v. Petsmart, Inc.*, 281 F.3d 837,  
17 841 (9th Cir. 2002) (discussing the burden solely for the "strength of the mark" factor  
18 rather than validity). A mark must be able to stand on its own; the validity of the  
19 mark cannot turn on the theory of confusion for a specific alleged infringer. *See* 15  
20 USC § 1125(a)(1)(A) (validity not part of the likelihood of confusion analysis).

#### 21 **V. Plaintiff's Daubert Motion Re: Hal Poret [ECF 199]**

##### 22 **A. Plaintiff's Position**

23 The Ninth Circuit's holding that this is a reverse confusion case confirms that  
24 the survey and testimony of Hal Poret, who did not query the proper universe of  
25 consumers, must be excluded at trial (*see* ECF 199 at 10-13), and the Court's decision  
26 on that issue will impact: 1) Defendants' *Daubert* motion concerning the opinions of  
27 Plaintiff's expert, John J. Burnett (*see* discussion, *infra*, at Section VI.A.); 2)  
28 Plaintiff's summary judgment motion (*see* discussion, *supra*, at Section III.A.); and,



1 3) the parties' pretrial filings, including, witness lists, exhibit lists, and contentions of  
 2 fact and law. Thus, this motion should be decided *before* the parties' other motions  
 3 and filings are examined.

4 **B. Defendants' Position**

5 Whether this is a reverse confusion case has nothing to do with the  
 6 admissibility of the Hal Poret report and survey. "Forward confusion occurs when  
 7 consumers believe that goods bearing the junior mark came from, or were sponsored  
 8 by, the senior mark holder"; "reverse confusion occurs when consumers dealing with  
 9 the senior mark holder believe that they are doing business with the junior one." (ECF  
 10 377 at 6, citations omitted.) However, Poret's questions encompassed both forward  
 11 and reverse confusion; namely, he inquired whether the surveyed consumers believed  
 12 that the companies were *related*.<sup>7</sup> (ECF 199-22.) Thus, the Ninth Circuit's opinion  
 13 has no effect on this motion, and this motion should be decided to the extent that any  
 14 jury issues remain as to Plaintiff's claims.

15 **VI. Defendants' Daubert Motion Re: John J. Burnett [ECF 217]**

16 **A. Plaintiff's Position**

17 As explained *supra*, at Section V.A, Hal Poret's survey and testimony must be  
 18 excluded. Thus, there is no need for the Court to determine whether Dr. Burnett's  
 19 rebuttal may be considered by the jury. (*See* ECF 217-1 at 18-26.)

20 **B. Defendants' Position**

21 As discussed above, Hal Poret's survey and testimony should remain in this  
 22 case. Further, Defendants' *Daubert* motion argues for exclusions of opinions offered  
 23 in Burnett's report-in-chief, not simply opinions offered in rebuttal to Poret. Thus, to  
 24 \_\_\_\_\_

25 <sup>7</sup> As of the preliminary injunction stage, and throughout discovery, including  
 26 expert discovery, Plaintiff treated this case as a *forward*-confusion case with reverse  
 27 confusion, at best, as an alternate theory. Only at the summary judgment stage, after  
 28 discovery had been completed, did Plaintiff claim this was solely a reverse confusion  
 case. Although Poret's survey encompasses the reverse confusion theory, to the  
 extent this Court excludes the survey for the reasons Plaintiff briefed here, Defendants  
 respectfully request the opportunity to conduct a new survey.

1 the extent that the relevant claims are not disposed of through summary judgment,  
2 this motion would remain open for the Court's determination.

3 **VII. Defendants' Daubert Motions Re: David Drews [ECF 218] and**  
4 **Non-Retained Experts [ECF 219]**

5 The parties agree that the *Mandate* does not affect these motions. Thus, if the  
6 the relevant claims are not disposed of on summary judgment, the motions remain  
7 open for the Court's determination.

8 **VIII. Trial Considerations and Scheduling**

9 **A. Plaintiff's Position**

10 Because the *Mandate*, and this Court's further rulings will impact the pretrial  
11 filings made under (ECF 181 at 4-5), Plaintiff asks that the Court permit the parties to  
12 revise them, at an appropriate time. Finally, this case has been pending 6 ½ years;  
13 further delays, including extended rebriefing periods, are unwarranted; and a *petition*  
14 *for certiorari*, if filed, will not operate as a stay. Thus, the case should be tried as  
15 soon as practicable, and Plaintiff believes a date between March and April 2018 is  
16 appropriate, given the above matters, and the fact that its counsel have other  
17 trials/appeals each month between October 2017 and February 2018.

18 **B. Defendants' Position**

19 Should any issues remain open for trial, the parties will need to amend prior  
20 pretrial filings. However, because this Court will need to decide the above motions,  
21 and because Defendants may be petitioning the Supreme Court to consider the fair  
22 use issue (the current deadline for which is November 20, 2017), to avoid duplicative  
23 and inefficient practice, no trial dates should be set at this time.

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RESPECTFULLY SUBMITTED:

Dated: October 6, 2017

By: s/Gregory H. Guillot s/Michael T. Lane  
Gregory H. Guillot  
Kent M. Walker  
Michael T. Lane

*Attorneys for Plaintiff,*  
MARKETQUEST GROUP, INC.  
D/B/A ALL-IN-ONE

Dated: October 6, 2017

By: s/Richard P. Sybert  
s/Yuo-Fong C. Amato  
Richard P. Sybert  
Yuo-Fong C. Amato

*Attorneys for Defendants,*  
BIC CORPORATION,  
BIC USA INC., and  
NORWOOD PROMOTIONAL  
PRODUCTS, LLC

1 **SIGNATURE CERTIFICATION**

2 Pursuant to Section 2(f)(4) of the Electronic Case Filing Administrative  
3 Policies and Procedures Manual, I hereby certify that the content of this document is  
4 acceptable to Richard P. Sybert and Yuo-Fong C. Amato, counsel for Defendants,  
5 and that I have obtained Mr. Sybert's and Ms. Amato's authorization to affix their  
6 electronic signatures to this document.

7 I declare under penalty of perjury under the laws of the United States of  
8 America that the foregoing is true and correct and executed on October 6, 2017, in  
9 the city of San Diego, state of California. I declare under penalties of perjury under  
10 the laws of the United States that the foregoing is true and correct.

11  
12 *s/ Michael Lane*

13 Michael Lane

14 [mlane@lewiskohn.com](mailto:mlane@lewiskohn.com)

15 Attorney for Plaintiff

16 MARKETQUEST GROUP, INC. d/b/a

17 ALL-IN-ONE  
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