

THIS OPINION
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UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

DUNN

Mailed: February 25, 2015

Cancellation No. 92057455

Board of Regents, The Texas State
University System

v.

Old Grey Foundation, Inc.

**Before Lykos, Kuczma, and Masiello, Administrative Trademark
Judges:**

By the Board:

This case comes up on Petitioner's motion for summary judgment on the pleaded grounds of false suggestion of a connection and likelihood of confusion under Sections 2(a) and 2(d), respectively, of the Trademark Act, and Respondent's cross-motion for summary judgment on its affirmative defense of licensee estoppel. The motions are fully briefed.

On July 7, 2009, Registration No. 3649427 issued to Old Grey Foundation, Inc. (Respondent) for the mark TXST [standard characters] for "charitable fund raising."

The Board of Regents, The Texas State University System (Petitioner) pleads three registrations for marks that include the term TEXAS STATE for educational and entertainment services:¹

Registration No. 3182306 issued December 12, 2006	Registration No. 3195294 issued January 2, 2007	Registration No. 3223633 issued April 3, 2007
	TEXAS STATE UNIVERSITY-SAN MARCOS [standard characters]	
TEXAS STATE disclaimed	Supplemental Register	TEXAS STATE UNIVERSITY SAN MARCOS 1899 disclaimed

On July 1, 2013, Petitioner filed a petition to cancel Respondent’s Registration No. 3649427. In addition to the claims of false suggestion of a connection and priority of use and likelihood of confusion which are the subject of the motion for summary judgment, the petition to cancel pleads dilution, abandonment, and that Respondent’s mark is geographically descriptive; geographically misdescriptive; and merely descriptive.

¹ While Registration No. 3182306 omits the word “live,” the three registrations list: “Educational services-namely, providing college and graduate level courses of instruction, continuing education courses and seminars and opportunities for students to participate in academic research; and entertainment services-namely, providing college level athletic and sporting events, live musical concerts and live performances of dramatic works.”

Petitioner also pleaded Registration No. 3243265, but on December 27, 2013, the registration was cancelled under Trademark Act Sec. 8.

Respondent filed an answer that denies the salient allegations of the petition to cancel, and asserts the affirmative defenses of licensee estoppel; that Petitioner does not have prior trademark rights in the marks TEXAS STATE or TXST; and that if Petitioner did have prior rights, they have been abandoned through Petitioner's failure to protect or control its mark.²

Discovery closed May 15, 2014.

DISCUSSION

A motion for summary judgment is a pretrial device intended to save the time and expense of a full trial when the moving party is able to demonstrate, prior to trial, that there is no genuine dispute of material fact, and that it is entitled to judgment as a matter of law. *See* Fed. R. Civ. P. 56(a); *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986). In reviewing a motion for summary judgment, the evidentiary record and all reasonable inferences to be drawn from the undisputed facts must be viewed in the light most favorable to the nonmoving party. *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992). The Board may not resolve issues of material fact; it may only ascertain whether such issues are present. *See Lloyd's Food Prods. Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993). When cross-motions for summary judgment are presented, the

² Both parties submitted exhibits with their pleadings and are advised that, except with respect to status and title copies of pleaded registrations (which were not submitted here), an exhibit attached to a pleading is not evidence on behalf of the party to whose pleading the exhibit is attached unless identified and introduced in evidence as an exhibit during the period for the taking of testimony. *See* Trademark Rule 2.122(c).

Board evaluates each motion on its own merits and resolves all doubts and inferences against the party whose motion is being considered. *Mingus Constructors, Inc. v. United States*, 812 F.2d 1387, 1390–91 (Fed. Cir. 1987).

An affirmative defense is a defendant’s assertion raising new facts and arguments that, if true, will defeat the plaintiff’s claim, even if all allegations in the complaint are true. *See H.D. Lee Co. v. Maidenform Inc.*, 87 USPQ2d 1715, 1720 (TTAB 2008) (citation omitted). Here, as discussed in more detail below, Petitioner must prove, among other things, that the designation TXST points uniquely and unmistakably to Petitioner to prevail on its Trademark Act Sec. 2(a) claim, and Petitioner must prove prior proprietary rights in one or more of its pleaded marks to prevail on its Trademark Act Sec. 2(d) claim. Thus, Respondent’s assertions that Petitioner lacks such a unique identity, and does not possess, or has abandoned, trademark rights in Petitioner’s relevant marks, are not affirmative defenses, but merely amplify Respondent’s denial of the Sec. 2(a) and 2(d) claims. These “affirmative defenses” will not be given separate consideration. *Ohio State Univ. v. Ohio Univ.*, 51 USPQ2d 1289, 1292 (TTAB 1999) (“the affirmative defense provides opposer with notice of applicant’s position with respect to one of opposer’s specific claims.”). *Accord* 5B CHARLES ALAN WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE AND PROCEDURE § 1269 (3d ed. 2014).

In contrast, the affirmative defense of licensee estoppel raises facts and arguments independent of Petitioner’s pleaded claims that, if proven,

may defeat a claim and avoid cancellation even if such claim has been proven. 5B CHARLES ALAN WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE AND PROCEDURE § 1270 (3d ed. 2014) (“An affirmative defense will defeat the plaintiff’s claim if it is accepted by the district court or the jury.”). *Accord* 3 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION (“MCCARTHY”) § 18:63 (4th ed. 2014) (“a trademark licensee is estopped from challenging the validity of the licensor’s mark”).

The Board assumes the parties’ familiarity with the record evidence in this case, and will not discuss each submission in detail. However, the Board notes the failure by both parties to provide evidence sufficient to clearly delineate their relationship and past dealings. Petitioner is a state university system, and Respondent is apparently the booster club for the rugby team for one of the schools within the system. Notwithstanding the insistence by both parties that their past dealings dictate the outcome of this proceeding, the record provides little context for evaluating Respondent’s 2009 statement during examination of its underlying trademark application that “TXST does not identify a geographic place, other than its intended reference to Texas State University,” or Petitioner’s 2010 execution of the now-expired three year licensing agreement which recognizes Respondent’s rights to the TXST mark and the subject registration.

In addition, the Board notes the failure by both parties to lay a foundation for the evidence submitted with their respective motions, and the

consequent attempt to rectify this omission by submitting evidence with their reply briefs. For example, Petitioner's motion for summary judgment included a declaration with only a few exemplary exhibits asserting use of the term TEXAS STATE as both its identity and its trademark since 2003, but evidence intended to show continuous use was submitted only with its reply brief. For another example, Respondent's cross-motion for summary judgment included its trademark license, but the authenticating declaration was submitted with its reply brief. Because the other side was not given the necessary opportunity to respond, the Board will give no consideration to evidence submitted by either party with its reply brief.

a. PETITIONER'S STANDING

To obtain cancellation of the registration, the petitioning party must show both standing and valid grounds for cancellation. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 945, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000). The declaration of William Nance, Petitioner's Vice President for Finance and Support Services, avers, among other things, that Petitioner is charged with management and control of the Texas State University System and its component colleges and universities, and that Petitioner has been using the mark TEXAS STATE continuously in interstate commerce since 2003. Nance's declaration is sufficient to show Petitioner's standing. *See Giersch v. Scripps Networks Inc.*, 90 USPQ2d 1020, 1022 (TTAB 2009) (common-law use

sufficient to establish standing).³ In addition, Respondent does not dispute that Petitioner has standing to bring its petition for cancellation.

b. PETITIONER'S MOTION FOR SUMMARY JUDGMENT ON
CLAIM OF FALSE SUGGESTION OF A CONNECTION

To prevail on its Trademark Act Sec. 2(a) claim for false suggestion of a connection, Petitioner must demonstrate that Respondent's mark is the same as or a close approximation of Petitioner's previously used name or identity; that Respondent's mark would be recognized as such inasmuch as the mark points uniquely and unmistakably to Petitioner; that Petitioner is not connected with Respondent's activities under its mark; and that Petitioner's name or identity is of sufficient fame or reputation that when Respondent's mark is used on its goods, a connection to Petitioner would be presumed. *The Board of Trustees of The University of Alabama and Paul W. Bryant, Jr. v. William Pitts, Jr. and Christopher Blackburn*, 107 USPQ2d 2001, 2025 (TTAB 2013).

Upon careful consideration of the evidence and arguments submitted by the parties, the Board finds that, at a minimum, there are genuine disputes as to whether Respondent's mark TXST is a close approximation of TEXAS STATE; whether the terms TEXAS STATE or TXST point uniquely

³ Petitioner submitted copies of its registration certificates issued in 2006 and 2007 with both its petition to cancel and its motion for summary judgment. The submission of a photocopy of a pleaded registration, by itself, is insufficient for purposes of establishing a party's current ownership, or the current status, of the registration. See *Sterling Jewelers Inc. v. Romance & Co., Inc.*, 110 USPQ2d 1598, 1601 (TTAB 2014) citing Trademark Trial and Appeal Board Manual of Procedure (TBMP) §704.03(b)(1)(A) (2014) and authorities cited therein.

to Petitioner; whether Petitioner is connected with Respondent's activities under its mark; and whether Petitioner's identity as TEXAS STATE or TXST, if proven, is of sufficient fame that the connection of the designation TXST to Petitioner would be presumed. Accordingly, Petitioner's motion for summary judgment on the claim of false suggestion of a connection is denied.

c. PETITIONER'S MOTION FOR SUMMARY JUDGMENT ON PRIORITY AND LIKELIHOOD OF CONFUSION

In order for Petitioner to prevail on its motion, Petitioner must establish that there is no genuine dispute that it has prior proprietary rights in TEXAS STATE or TXST, and that contemporaneous use of the parties' respective marks in connection with their respective services would be likely to cause confusion or mistake or to deceive consumers. *See Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc.*, 60 USPQ2d 1733, 1735 (TTAB 2001). Likelihood of confusion depends on analysis of all of the probative facts in evidence that are relevant to the thirteen factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973).

Upon careful consideration of the evidence and arguments submitted by the parties, the Board finds that, at a minimum, there are genuine disputes as to whether Petitioner has prior proprietary rights in the terms TEXAS STATE or TXST, and whether Petitioner's use of TEXAS STATE or TXST and Respondent's use of TXST would be likely to cause confusion when used in connection with their respective services. Accordingly, Petitioner's

motion for summary judgment on the claim of priority of use and likelihood of confusion is denied.

d. RESPONDENT'S MOTION FOR SUMMARY JUDGMENT ON ITS
LICENSEE ESTOPPEL DEFENSE

Under the doctrine of licensee estoppel, a licensee is estopped to challenge the licensor's rights in the licensed mark during the time that the license is in force. *Freeman v. National Association of Realtors*, 64 USPQ2d 1700, 1703 (TTAB 2002); *Estate of Biro v. Bic Corp.*, 18 USPQ2d 1382, 1386 (TTAB 1991); *Garri Publication Associates Inc. v. Dabora Inc.*, 10 USPQ2d 1694, 1697 (TTAB 1988). As an equitable doctrine which is not to be rigidly applied in any and all situations, "[A] court remains free to consider the particular circumstances of the case, including the nature of the licensee's claim and the terms of the license." 3 MCCARTHY § 18.63. The licensee estoppel rule is founded on the view that a licensee should not be permitted to enjoy the use of the licensed mark while at the same time challenging the mark as being invalid. *Id.* Upon termination of the license, the licensee is no longer hampered by the estoppel to the extent that the licensee is then free to challenge the licensor's title on the basis of facts which arose after the expiration of the license. *Freeman v. National Association of Realtors*, 64 USPQ2d at 1703. We note that, in the case before us, the alleged trademark license at issue has not been properly made of record.

Upon careful consideration of the evidence and arguments submitted by the parties, the Board finds that, at a minimum, there are genuine

disputes as to when the facts upon which Petitioner challenges the validity of its former license with Respondent arose, and whether the particular circumstances of this case preclude application of licensee estoppel on equitable grounds. Accordingly, Respondent's motion for summary judgment on its affirmative defense of licensee estoppel is denied.

SUMMARY

Petitioner's motion for summary judgment on the claims of false suggestion of a connection, and priority of use and likelihood of confusion, is DENIED, and Respondent's motion for summary judgment on its affirmative defense of licensee estoppel is DENIED.⁴

In view of the many factual disputes in this proceeding, the Board determines that disposition by summary judgment is not appropriate. Accordingly, the parties are barred from filing new motions for summary judgment and must proceed to trial.

Proceedings herein are resumed, and dates are reset below.

Discovery	CLOSED
Plaintiff's Pretrial Disclosures	4/1/2015
Plaintiff's 30-day Trial Period Ends	5/16/2015
Defendant's Pretrial Disclosures	5/31/2015
Defendant's 30-day Trial Period Ends	7/15/2015
Plaintiff's Rebuttal Disclosures	7/30/2015
Plaintiff's 15-day Rebuttal Period Ends	8/29/2015

⁴ Although we have only mentioned a few genuine disputes of material fact in this decision, this is not to say that this is all that would necessarily be at issue for trial. The parties should note that evidence submitted in support of or in opposition to a motion for summary judgment is of record only for consideration of that motion. Any such evidence to be considered at final hearing must be properly introduced in evidence during the appropriate trial period. *See Levi Strauss & Co. v. R. Joseph Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993).

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.