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

Proceeding	92057455
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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. 3649427 owned by Old Grey Foundation, Inc. for the Mark:  
**TXST**: International Class 36; Registered on July 7, 20

Board of Regents, The Texas State  
University System

Plaintiff

v.

Old Grey Foundation, Inc.,

Respondent

**Cancellation No. 92057455**

**RESPONDENT’S ANSWER TO PETITION FOR CANCELLATION**

Respondent, Old Grey Foundation, Inc. (“Respondent”), sets forth below its Answer to the Petition (“Petition”) filed by Plaintiff, Board of regents, The Texas State University System, by and on behalf of Texas State University-San Marcos (“Plaintiff”), for the respective paragraphs of the Notice, as follows:

1. Respondent admits the allegations contained in paragraphs 3, 5, 6, 11 & 13 of Petition for Cancellation.

2. Applicant denies the allegations contained in paragraphs 1, 2, 4, 7, 8, 10, 12 & 14-26 of Plaintiff’s Petition and would show the following in support of such denials:

**DENIAL-Paragraph 1**

The institution Plaintiff files this Petition by and on behalf of, at the time of filing, was not named “Texas State University”, but rather “Texas State University-San Marcos”. Plaintiff states that the Texas Legislature authorized a name change in 2003 to “Texas State

University”. This is incorrect. The Texas Legislature authorized “Southwest Texas State University” to change its name to “Texas State University-San Marcos”. All other institutions under Plaintiff’s system/control could also change their names to “Texas State University–*insert name here*”. (e.g. Texas State University-Lamar; Texas State University-Huntsville / Sam Houston, Texas State University-Alpine / Sul Ross, etc...). Other Plaintiff-member institutions include: Lamar University, Sam Houston State University, Sul Ross State University, Lamar State College - Orange, Lamar State College - Port Arthur, Sul Ross State University Rio Grande College.

According to Plaintiff’s website,

The Texas State University System, founded in 1911, is the first higher education system established in Texas. Beginning as an administrative means to consolidate the support and management of state teacher colleges, the System has evolved into a network of higher education institutions stretching from the Texas–Louisiana border to the Big Bend region of west Texas.

Today, eight component institutions offer a broad range of academic and career opportunities. Throughout the System, you will find professionals committed to preparing students for working and contributing to our global society. The academic and professional programs we offer help them make sound decisions in life and become contributors in their communities.<sup>1</sup>

The Texas State University System is governed by a nine-member Board of Regents appointed by the governor. In addition, a nonvoting student regent is appointed annually to the board. The administration, which is headed by a board-appointed chancellor, is based in Austin, where it provides support to the System components and state government.<sup>2</sup>

Texas Senate Bill 974 was filed on February 28, 2013 in the Texas Senate to change Texas State University–San Marcos’ name to “Texas State University”. Bill Analyses (Introduced Version & Committee Report) is attached as **Respondent’s Exhibit 1**.

It was reported in the months prior to the filing of this petition that:

The Legislature is close to approving a seventh name change for Texas State

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<sup>1</sup> <http://www.tsus.edu/about.html>

<sup>2</sup> *Id.*

University-San Marcos. The proposed tweak, approved unanimously Wednesday in the Senate and pending in the House, would drop “San Marcos” from the end of the school's name.

The change, which administrators expect to be the last, comes 10 years after the Legislature last altered the university's name from Southwest Texas State University to its current title.

“San Marcos” was included in the school's 2003 name change because officials wanted to keep options open for other schools in the system to adopt a system-based name, similar to school's in the University of Texas and the Texas A&M University systems, said Robert Gratz, special assistant to the president at Texas State University-San Marcos.

“Since that time, it has become clear that none of the other universities in the system — all named for Texas heroes— have any interest in considering a system-based name,” he said.<sup>3</sup>

“Denise Trauth, the school's president, said the school is already referred to as simply “Texas State University” in most cases other than legal documents. The change also would clear up the confusion that resulted in the opening of a 101-acre campus in Round Rock in 2005, which is now officially known as Texas State University-San Marcos Round Rock Campus, she said. “Eliminating the reference to San Marcos in the University's name should reduce confusion, making it easier for everyone to understand” that both locations are programs of Texas State University, Trauth said.”<sup>4</sup>

The bill ultimately passed and was signed by Texas Gov. Rick Perry on May 10, 2013. The name change from “Texas State University-San Marcos” to “Texas State University” is effective on September 1, 2013. This Petition was filed on

## **DENIAL-Petition Paragraph 2**

Respondent denies in part and admits in part. Respondent is not principally “owned” by anyone. Respondent is a Texas Corporation formed on 03/14/2005, (**See Respondent’s Exhibit 2**). Respondent filed for and received 501(c)(3) status from The United States

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<sup>3</sup> Parker, Kolten (2013, April, 10 - updated 2013, April, 11). *San Antonio Express News*, Texas State University to shed ‘San Marcos’ Retrieved from, [http://www.mysanantonio.com/news/local\\_news/article/Texas-State-University-to-shed-San-Marcos-4425181.php](http://www.mysanantonio.com/news/local_news/article/Texas-State-University-to-shed-San-Marcos-4425181.php)

<sup>4</sup> *Id.*

Internal Revenue Service on 06/29/2006, (*See Respondent's Exhibit 3*. Respondent admits to its application and registration of the Mark "TXST".

#### **DENIAL-Petition Paragraph 4**

Plaintiff denies Paragraph 4, as Plaintiff has filed no applications, nor received registrations, as listed. All listed U.S. Reg. Nos. referenced and attached exhibits were applied for by and in the name of "Texas State University-San Marcos". Over and above such, the mark "TEXAS STATE" as referenced throughout the Petition is NOT registered and those marks that do contain the words "TEXAS STATE" are expressly intended to be used in combination with other design elements. The application and registrations state expressly "NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO THE USE 'TEXAS STATE', APART FROM THE MARK AS SHOWN" (*See Plaintiff's Exhibit No. 2*). Plaintiff has no claim as it relates to the mark "TEXAS STATE" in and of itself, however states otherwise throughout the Petition. Nonetheless, Respondent does not claim such a right to use, nor has Respondent done so.

#### **DENIAL-Petition Paragraph 7**

In contrast to Plaintiff's stated position regarding the abbreviation for the word "state"; "ST" is a commonly used and recognized abbreviation for the words, "Saint", "statute", "statutes", "Straight", "Street", "stanza", "state", "stet" & "stitch", as evidenced by **Plaintiff's Exhibit No. 5**. It is certainly neither an exclusively used abbreviation currently, historically, nor commonly attached to or in reference to any State University for the purpose of reference to the word "State". Neither is it marketed as such, nor employed in any other commercial use, even in a colloquial sense, even by Petitioner.

**Respondent’s Exhibits 4-41** evidences and illustrates that the letters “ST” are not recognized either officially or colloquially as an abbreviation or acronym for the term “state” by any institution that has a common word “State”, as Plaintiff. Basically, not one institution that includes the words “State University” used in combination with the name of the State, uses, is recognized as or is referenced in the manner Plaintiff suggests. Texas State University-San Marcos is not even recognized as Plaintiff’s suggests.

STATE	State University	URL	ABBREVIATION	EXHIBIT
Alabama	Alabama State University	www.alsu.edu	ASU	4
Alaska	NONE	N/A	N/A	N/A
Arkansas	Arkansas State University	www.astate.edu	ASU	5
California	California State University (15)	www.CalState.edu	CAL STATE or CSU	6
Colorado	Colorado State University	www.colostate.edu	CSU	7
Connecticut	NONE	N/A	N/A	N/A
Delaware	Delaware State University	www.desu.edu	DESU	8
Florida	Florida State University	www.fsu.edu	FSU	9
Georgia	Georgia State University	www.gsu.edu	GSU	10
Idaho	Idaho State University	www.isu.edu	ISU	11
Indiana	Indiana State University	www.indstate.edu	ISU	12
Iowa	Iowa State University	www.iastate.edu	ISU	13
Kansas	Kansas State University	www.k-state.edu	K-State or KSU	14
Kentucky	Kentucky State University	www.kysu.edu	KSU or KYSU	15
Louisiana	Louisiana State University	www.lsu.edu	LSU	16
Maine	NONE	N/A	N/A	N/A
Maryland	NONE	N/A	N/A	N/A
Massachusetts	NONE	N/A	N/A	N/A
Michigan	Michigan State University	www.msu.edu	MSU	17
Minnesota	Minnesota State University-Mankato	www.mnsu.edu	MSU	18
Minnesota	Minnesota State University - Moorhead	www.mnstate.edu	MSUM	19
Mississippi	Mississippi State University	www.msstate.edu	MSU	20
Missouri	Missouri State University	www.MissouriState.edu	MSU or Mo State	21
Montana	Montana State University	www.montana.edu	MSU	22
Montana	Montana State University - Billings	www.msubillings.edu	MSU Billings	23
Montana	Montana State University - Northern	www.msun.edu	MSU-Northern or Northern	24
Nevada	Nevada State College	www.nsc.nevada.edu	NSC	25
New Hampshire	NONE	N/A	N/A	N/A
New Jersey	NONE	N/A	N/A	N/A
New Mexico	New Mexico State University	www.nmsu.edu	NMSU or NM State	26
New York	State University of New York (18)		SUNY (campus name follows)	27
North Carolina	North Carolina State University	www.ncsu.edu	NCSU or NCState	28
North Dakota	North Dakota State University	www.ndsu.edu	NDSU	29
Ohio	Ohio State University	www.osu.edu	OSU	30
Oklahoma	Oklahoma State University	www.okstate.edu	O-K-State or OSU	31
Oregon	Oregon State University	www.oregonstate.edu	OSU	32
Pennsylvania	Penn State University	www.psu.edu	Penn State or PSU	33
Rhode Island	NONE	N/A	N/A	N/A
South Carolina	South Carolina State University	www.scsu.edu	SCSU	34
South Dakota	South Dakota State University	www.sdstate.edu	SDSU	35

South Dakota	Dakota State University	www.dsu.edu	DSU	36
Tennessee	Tennessee State University	www.tnstate.edu	TSU	37
<b>Texas</b>	<b>Texas State University</b>	<b>www.txstate.edu</b>	<b>TXState or Texas State</b>	<b>38</b>
Utah	Utah State University	www.usu.edu	USU	39
Vermont	NONE		N/A	N/A
Virginia	Virginia State University	www.vsu.edu	VSU	40
Washington	Washington State University	www.wsu.edu	WSU or Wazzu	41
West Virginia	West Virginia State University	www.wvstate.edu	WVSU	42
Wisconsin	NONE	N/A	N/A	N/A
Wyoming	NONE	N/A	N/A	N/A

### **DENIAL-Petition Paragraph 8**

Respondent’s properly registered trademark “TXST” (U.S. Reg. No. 3,649,427) specifically refers to Texas State University Renegade Rugby Football Club and not Texas State University or “Texas State” as a whole and/or in and of itself, as repeatedly suggested by Plaintiff. Plaintiff apparently simply desires to now attempt to market, reference and merchandise itself as “TXST” as whole at this time. This is contrary to not only its prior intentions, lack of commercial uses and lack of use in general, but contrary to it’s stated purposes, as well as past and present policies and non-use. **See Affirmative Defense No. 1 (Below)**

### **DENIAL-Petition Paragraph 10**

Respondent’s use and registration of “TXST” refers specifically to an entity (Texas State Renegade Rugby Football Club), which is recognized by Plaintiff as a student organization and Sport Club recognized by Plaintiff as such. This is evidenced by the stated **Affirmative Defense No. 5 (Below)**. The registration of “TXST” was never intended to, nor does it falsely suggest a connection with or reference to Plaintiff itself, but rather a specific organization affiliated with Plaintiff and contains the words Texas State in its officially recognized name (Texas State Renegade Rugby Football Club), as required by Plaintiff.

### **DENIAL-Petition Paragraph 12**

Plaintiff suggests use of “TXST” prior to Respondent’s stated use date (June 1, 2006), however fails to demonstrate any commercial use, much less any intentional use. In fact, **Respondent’s Exhibit Nos. 43 & 44** demonstrates an express denunciation and stated prohibition of the use of the registered mark “TXST” as a reference to Texas State University-San Marcos (*See Affirmative Defense No. 4, below*). Even **Plaintiff’s Exhibit No. 7** inadvertently evidences it’s own confusion over what it intends to be either an acronym or abbreviation for TEXAS STATE and/or Texas State University-San Marcos. In its own Exhibit No. 7, there are other contrary abbreviations, such as: “TxSt-SM” by the Texas State University-San Marcos Finance Board during a meeting; and, a check made out and apparently deposited by Texas State University-San Marcos made out to “Tx St U”.

Plaintiff has never used the mark “TXST” for any commercial use or purpose and has expressly abandoned any use or right by its own published guidelines and policies stating such.

### **DENIAL-Petition Paragraph 14**

“TXST” refers specifically to Texas State Renegade Rugby Football Club. (*See Respondent’s Exhibit 2, Paragraph 1, as well as Affirmative Defense No. 5, Below*), as well as **Plaintiff’s Exhibit No. 6**. “[TXST] does not identify a geographic place, other than its intended reference to Texas State University...” which is specifically referencing and related to the Texas State Rugby Football Club; a recognized Student Organization, for which Respondent was created and operates as a 501(c) Corporation to specifically benefit that entity and its members who attend Texas State University-San Marcos.

Just as any other charitable foundation formed to benefit other University related



programs, scholarships, athletic funds, department programs and benefactors, trusts and or endowments, Respondent (Old Grey Foundation, Inc.) is such an organization that operates under its stated mission, as recognized by the State of Texas and the Internal Revenue Service for the benefit of Texas State Renegade Rugby Football Club. (**See Respondent's Exhibit No. 2 & Affirmative Defense No. 5 Below**).

#### **DENIAL-Petition Paragraph 15 & 16**

The registration of "TXST" is not likely to cause confusion, to cause mistake, and/or deceive, in violation of 15 U.S.C 1052(d) with Plaintiff's use of "TEXAS STATE", whether in common law or it's prior use, other than possibly Plaintiff's own use under the Licensing Agreement with Respondent and their intent to attempt to do so more in the future and/or create such an association in the public eye for its own merchandising benefit. Such are not legitimate and valid grounds for relief as sought by Plaintiff under 15 U.S.C. 1052(d).

#### **DENIAL-Petition Paragraph 17**

Plaintiff's claim of dilution, again relates to their registered mark "TEXAS STATE" and not Respondent's registered mark "TXST", nor its commercial use by Respondent, nor Plaintiff's use in any way. Plaintiff does not itself, recognize "TXST" as an abbreviation or an acronym for its own institution. Respondent recognizes Plaintiff's efforts in advertising, promoting and popularizing the term "TEXAS STATE", however it has stated repeatedly that "TXST" is not to be used in reference, advertising, etc... and such is specifically prohibited; mandating others are to be used, as detailed in **Affirmative Defense No. 4 (Below)**. If the trade and purchasing public has come to know "TXST" as an equivalent to "TEXAS STATE", it has done so either by some unknown effort by Plaintiff under the

Licensing Agreement with Respondent or contrary to all efforts and intentions of Plaintiff, as detailed in **Affirmative Defense No. 4 (Below)**.

### **DENIAL-Petition Paragraph 18**

Plaintiff suggests that “TEXAS STATE” is a famous trademark, however offers no evidence of such. Respondent denies that “TEXAS STATE” is a “famous trademark” and suggests that “TXST” in some way dilutes goods and services affiliated with “TEXAS STATE”.

To begin, “TEXAS STATE”, prior to the registration of “TXST” by Respondent and subsequent Licensing Agreement with Respondent, was registered by Plaintiff on Dec. 12, 2006 (*See* Plaintiff’s Exhibit No. 2), approximately six (6) months after Respondent’s first stated use (June 1, 2006). As stated previously, “TEXAS STATE” is not a registered trademark and said applications by Plaintiff and registrations containing such are in combination with other elements and expressly states “**NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO THE USE ‘TEXAS STATE’, APART FROM THE MARK AS SHOWN**” (*See* Plaintiff’s Exhibit No. 2). The Application(s) states: “[t]he mark is used on or in connection with the goods/services on business cards, stationary, student handbooks, informational brochures, athletic team schedules, websites and in other ways customary to the trade” (*See Respondent Exhibit Nos. 53-56*).

The mark “TEXAS STATE” has not acquired distinctiveness in and of itself to such a degree that Plaintiff has even sought a name change by the Texas State Legislature to attempt to establish such. Plaintiff has sought a name change to Texas State University, from Texas State University-San Marcos only recently, to take effect on September 1, 2013, by

Texas Senate Bill 974. Plaintiff has not used the term “TEXAS STATE” by itself, until well after Respondent’s use, its registration and the Licensing Agreement between Respondent and Plaintiff allowing Plaintiff the license/privilege to use “TXST” in 2010. “TEXAS STATE” in and of itself is not a famous trademark, nor should it be considered as such, for the relief sought by Plaintiff.

#### **DENIAL-Petition Paragraph 19 & 20**

“TXST”, as stated above and in the Application refers specifically to Texas State Renegade Rugby Football Club. (*See Respondent’s Exhibit 2, Paragraph 1*, as well as *Affirmative Defense No. 5 [Below]*), as well as Plaintiff’s Exhibit No. 6, which states clearly, “[TXST] does not identify a geographic place, other than its intended reference to Texas State University...” which is specifically referencing and related to the Texas State Renegade Rugby Football Club, a recognized Student Organization, for which Respondent was created and operates as a 501(c) corporation to specifically benefit that entity and its member who attend Texas State University-San Marcos. Just as any other charitable foundation formed to benefit other University-related programs, scholarships, athletic funds, department programs, research, benefactors, trusts and/or endowments. Old Grey Foundation, Inc. is a similar organization, albeit a charitable corporation that operates under its stated mission, as recognized by the State of Texas and the Internal Revenue Service for the benefit of Texas State Renegade Rugby Football Club. (*See Respondent’s Exhibit No. 2 & Affirmative Defense No. 5 Below*).

#### **DENIAL-Petition Paragraph 21**

Plaintiff claims that Respondent has “not properly used and/or abandoned use of “TXST”

as trademark in connection with charitable fundraising services.” Contrary to such a claim, which is baseless, Old Grey Foundation, Inc. has an express agreement with Texas State Renegade Rugby Football Club that allows their use of “TXST” for any and all purposes, including a source of revenue. That organization has used the mark “TXST” on all Club uniforms, apparel and promotional items of which has been both sold and given to the public, as well as purchased on their behalf by Texas State University-San Marcos, as well as used in all promotional materials, such as press releases, banners, and demarcation by its parent competitive organization(s) (USA Rugby, Texas Rugby Union and Southwest Rugby Conference). Members of Texas State Renegade Rugby Football Club have personally given away promotional stickers bearing the mark “TXST” at their designated area during New Student Orientations, provided to them by Old Grey Foundation, Inc. to promote Texas State Renegade Rugby Football Club and recruit future club members since 2006. Participation in New Student Orientations is required and supervised by the Texas State University Department of Recreational Sport Clubs.

Additionally, Respondent (Old Grey Foundation, Inc.) has used “TXST” by and through its Licensing Agreement with Texas State University-San Marcos that allowed all Texas State University–San Marcos organizations to use the “TXST” mark, excepting profit/revenue generating activities. Other than the administration, athletics and other University agents and organizations, one specific organization that uses “TXST” is the Texas State Renegade Rugby Football Club, which is a recognized Student Organization and a Club Sport under the Department of Recreation of Texas State University.

Old Grey Foundation, Inc. uses the mark “TXST” specifically and exclusively for charitable fundraising services, as evidenced in the Licensing Agreement with Plaintiff to help fund such services. Just as other organizations that are more closely affiliated with Plaintiff to raise funds for particular departments or programs who solicit and raise funds,

such as:

- A) **Texas State Parents Association** – who solicit, through Plaintiff’s assistance for checks to be payable to: Texas State Development Fund;
- B) **The Texas State University-San Marcos Development Foundation** – which supports and furthers the mission of Texas State University-San Marcos through the acceptance and investment of gifts established as endowments benefiting the students, faculty and staff;
- C) **“Bobcat Club” Bobcat Athletic Foundation** – Established to accept Tax Deductible Credits for donations for scholarships and facilities upgrades;
- D) **The Texas State University-San Marcos Research Foundation** – which was formed to promote Texas State University-San Marcos's ("University") objectives of providing higher education, conducting research, providing public service, and assisting in economic development in Texas;
- E) **Texas State University Development Foundation**; and
- F) **McCoy College of Business Foundation**

#### **DENIAL-Petition Paragraph 22**

Respondent specifically denies asserting any misuse of the valid Reg. No. 3629427. Petition’s Exhibit No. 9 is simply correspondence seeking to resolve Plaintiff’s dispute following the expiration of a valid Licensing Agreement between Respondent and Plaintiff and does not evidence any misuse, nor has there been any misuse.

#### **DENIAL-Petition Paragraph 23**

Plaintiff agreed to a three (3) year Licensing Agreement for the use of the trademark “TXST” (Reg. No. 3629427). This agreement was reached after consulting with numerous Plaintiff officials, including University Attorney for Texas State University-San Marcos, Mr. Bill Fly, Mr. Don Coryell, Associate Athletic Director, and others. A Licensing Agreement was agreed upon and signed by Vice President for Finance and Support Services, Mr. William A. Nance. (**See Respondent’s Exhibit No. 46**). Specifically germane and contrary to Plaintiff’s assertions, Mr. William Nance is also the same official that entered into the original and presently only existing “Agency Agreement” with Collegiate Licensing

Corporation (CLC) in 1998. Said “Agency Agreement” granted CLC the right to act as “*Southwest Texas State University’s*” “exclusive agent to license the use of one or more on the Indicia, as herein defined, in connection with the marketing of various articles of merchandise...”. “‘Indicia’ means the designs, trademarks, service marks, logographics and symbols which have come to be associated with the University...” (**See Respondent’s Exhibit No. 57**) Texas State University-San Marcos has received royalties amounting to hundreds of thousands of dollars under this agreement, since it’s inception. Clearly, Mr. Nance has the authority, knowledge and understanding to enter into such agreements on behalf of Plaintiff.

Plaintiff continues to receive royalties from CLC under this original agreement to the date of this filing, however no contract/licensing agreement has been updated since the Plaintiff’s name change from Southwest Texas State University to Texas State University-San Marcos in 2004, whose formal name will now be Texas State University (*Formerly Texas State University-San Marcos until Sept. 1, 2013; formerly Southwest Texas State University until Sept. 1, 2004*). There is no contract or agreement with CLC recognizing any mark “TEXAS STATE”, nor references to such.

#### **DENIAL-Petition Paragraph 24**

The valid Licensing Agreement referred to in Plaintiff’s Petition was between Plaintiff and Respondent and expired on April 13, 2013. (**See Respondent’s Exhibit No. 46**). The Licensing Agreement was well-within the Respondent’s rights to license the use of a validly registered trademark and recognized as such by Plaintiff. In order to ensure quality control, Respondent referenced, relied upon and deferred to Plaintiff’s own published standards. Plaintiff simply overlooks Paragraph 3(d) of the Licensing Agreement, which

specifically states:

Licensee (Texas State University-San Marcos) shall abide by its own standards and practices in the use of the Trademark (TXST), in the same manner as Licensee's own trademarks and shall do so bearing the proper trademark demarcation, when practicable and shall make known that the use of Trademark (TXST) is being used with permission and/or under said Licensing Agreement from Licensor (Old Grey Foundation, Inc.)

***See Respondent's Exhibit No. 46***

There was no breach of the agreement by Respondent, however there were at least one settlement of alleged breaches by Plaintiff, which resulted in settlement of the claims and payment to Respondent made directly from CLC and signed by Mr. Don Coryell, Associate Athletic Director. (***See Respondent's Exhibit No. 50***). Respondent was and is the owner of the validly registered trademark "TXST" (Reg. No. 3629427) and recognized as such by Plaintiff, until only recently and upon expiration of the Licensing Agreement.

#### **DENIAL-Petition Paragraph 25**

"TXST" is not "understood to be a reference to or abbreviation of 'Texas State'" as evidenced by Plaintiff's own policies and procedures, as well as both Plaintiff's Exhibit No. 2 & Respondent Exhibit Nos. 43 & 44. (***See Affirmative Defense No. 4, Below***). The only potential harm is in the form of Plaintiff's failure to see value in a mark that could potentially be promoted and marketed to inure to their benefit. As such, the "harm" is simply not present and only perceived by Plaintiff's marketing departments as an opportunity lost, who now wish to use Respondent's mark freely without regard to their rightful proprietary interest.

#### **DENIAL-Petition Paragraph 25**

Respondent denies each of the stated bases for cancellation, based on the reasons stated above.

## AFFIRMATIVE DEFENSES

1. As a **First and Separate Affirmative Defense**, Respondent alleges on information and belief that Plaintiff is estopped from challenging Respondent's rights in the mark "TXST" under the doctrine of licensee estoppel. *See, e.g. WCVB-TV v. Boston Athletic Ass'n*, 926 F.2d 42 (1st Cir. 1991), *John C. Flood of Virginia, Inc. v. John C. Flood, Inc.*, No. 10-7098 (D.C. Cir. June 17, 2011), *Freeman v. National Association of Realtors*, 64 USPQ2d 1700 (TTAB 2002).

A licensee is precluded from challenging the validity of Respondent's properly registered trademark "TXST" under the licensee estoppel doctrine. When a licensee enters into an agreement to use the trademark of a licensor, it is recognized that the licensee effectively agreed that the mark is valid, and thus is estopped from challenging its validity in the future. *See, Freeman v. National Association of Realtors*, 64 USPQ2d 1700 (TTAB 2002).

Texas State University-San Marcos, the institution Plaintiff has filed said Petition on behalf of, entered into a valid and enforceable Licensing Agreement on April 10, 2010, therefore is/was a licensee of Respondent's regarding the use of the mark "TXST". (***See, Respondent Exhibit No. 46***). Said agreement was signed on behalf of Plaintiff by Vice-President for Finance and Support Services (William A. Nance). Mr. Nance was the same official that entered into the original and presently only existing "Agency Agreement" with Collegiate Licensing Corporation (CLC) in 1998. Said "Agency Agreement" granted CLC the right to act as Southwest Texas State University's "exclusive agent to license the use of one or more on the Indicia, as herein defined, in connection with the marketing of various articles of merchandise...". "Indicia" means the designs, trademarks, service marks,



logographics and symbols which have come to be associated with the University...” Texas State University-San Marcos has received royalties under this agreement since it’s inception and continues to do so to the date of this filing. Clearly, Mr. Nance has the authority, knowledge and understanding to enter into such agreements on behalf of now Texas State University (*Formerly* Texas State University-San Marcos until Sept. 1, 2013; *formerly* Southwest Texas State University until Sept. 1, 2004).

The events leading to this Licensing Agreement between Old Grey Foundation, Inc. and Texas State University-San Marcos began with Respondent contacting Texas State University-San Marcos’ Associate A.D. External Operations, Mr. Don Coryell via letter inquiring into a Licensing Agreement for the use of “TXST” by Texas State University-San Marcos. This letter resulted in discussions between representatives of Respondent and Plaintiff, which included legal counsel for both, regarding the use of the mark by Plaintiff, initially resulted in University Attorney, Bill Fly responding via letter dated October 22, 2009, indicating that Texas State University-San Marcos did “not want to pursue a license from (Respondent), stating, “[w]e do not use the TXST mark enough”. (**See Respondent Exhibit No. 45**). After additional consultations with University Attorney for Texas State University-San Marcos, Mr. Bill Fly and Mr. Don Coryell, Associate Athletic Director, a Licensing Agreement was agreed upon and signed by Vice-President for Finance and Support Services, Mr. William A. Nance on behalf of Plaintiff, as directed by University Attorney, Bill Fly and Secretary and General Counsel for Respondent. (**See Respondent Exhibit No. 46**). The terms of the agreement specifically stated that “Licensee may not use Trademark for purposes that generate revenue from the sale of merchandise bearing Trademark” (**See Respondent Exhibit No. 46**, at pg 1, paragraph 2). Respondent submitted, a form, as required by Plaintiff, to become a recognized vendor of Plaintiff (**See Respondent**

**Exhibit No. 47**), consideration paid as per the agreement and under direct authorization by University Attorney, Bill Fly and Vice-President for Finance and Support Services (William A. Nance) on 05/03/2010 to Respondent via Plaintiff check. (**See Respondent Exhibit No. 48 & 49**).

During the term of the Licensing Agreement, an infringement was discovered and Respondent immediately took steps to protect its Registered Trademark. A Settlement Agreement and Release was signed by Mr. Don Coryell, Associate Athletic Director to settle the infringement and consideration paid by and through the Collegiate Licensing Company (CLC). (**See Respondent Exhibit Nos. 50 & 51**).

For clarification, CLC is a full-service collegiate licensing company, that contracts with Texas State University-San Marcos to provide industry-leading services and resources in brand protection, brand management, and brand development. According to CLC, “CLC’s experience in protecting the trademarks of collegiate institutions is unrivaled. Since 1981, CLC has been at the forefront of strengthening collegiate trademark law, trademark registration and protection, game day enforcement, worker protection and corporate responsibility, and licensee compliance. In fact, CLC views brand protection and enforcement as the foundation of any effective licensing and merchandising program and has devoted significant resources to this effort.

CLC is the only collegiate licensing company with three full-time attorneys and three legal assistants on staff, as well as deep relationships with a network of federal and local law enforcement agencies to ensure maximum protection for partner institutions. As the collegiate segment of the retail marketplace continues to mature and global brand protection challenges continue to evolve in the digital age, CLC remains dedicated to protecting and strengthening the brands of partner institutions.” (**See Respondent Exhibit No. 52**).

2. As a **Second and Separate Affirmative Defense**, Respondent alleges on information and belief that Plaintiff has failed to protect, police, and/or control its claimed trademark TEXAS STATE from widespread infringement, thereby resulting in an abandonment of that mark and any derivation arising from it. Neither Plaintiff, nor Texas State University-San Marcos has even applied for Federal Trademark Registration of the mark “TEXAS STATE”. This despite Texas State University-San Marcos registering and actively protecting many other marks relating to Texas State University-San Marcos and its suggested marketing of “TEXAS STATE”.

Plaintiff has not even updated an “Agency Agreement” with CLC since its name from Southwest Texas State University, to Texas State University-San Marcos in 2003. The present “Agency Agreement” dates back to 1998 when Plaintiff was named Southwest Texas State University.

3. As a **Third and Separate Affirmative Defense**, Respondent alleges on information and belief that Plaintiff has in no way demonstrated that prior to Respondent’s commercial use of “TXST” and proper registration of such, that Plaintiff used said mark for any commercial purpose, nor that “TXST” had obtained the level of distinctiveness sufficient to obtain relief under the Lanham Act or other applicable state and federal laws, therefore Respondent was free to use such in commerce and properly seek registration of such a mark. Plaintiff and/or Texas State University-San Marcos is now precluded from claiming that four (4) common letters that are contained within TEXAS STATE has now become a mark synonymous with TEXAS STATE.

Respondent’s commercial use, initially as intended has strengthened its own mark and identity of “TXST”, as it relates to the Texas State Renegade Rugby Football Club, as distinguished from Texas State University-San Marcos as a whole.

4. As a **Fourth and Separate Affirmative Defense**, Respondent alleges on information and belief that neither Plaintiff, nor Texas State University-San Marcos have exclusively used the mark “TXST” in commerce and has not established the right to use the marks containing such term based on exclusive use in commerce. Plaintiff has inadvertently evidenced it’s own confusion over what it intends to be either an acronym or abbreviation for “TEXAS STATE” and/or Texas State University-San Marcos. In its own Exhibit 7, there are uses of “TxSt-SM” by the Texas State University-San Marcos Finance Board during a meeting and a check made out and apparently deposited by Texas State University-San Marcos made out to “Tx St U”.

Texas State University-San Marcos Editorial Style Guide, published by the Office of Marketing is the definitive and official authority on the branding, marketing and referencing of Texas State University-San Marcos. It states:

**What is an editorial style guide?**

Is it alumnus or alumna? Dr. John Doe or John Doe, Ph.D.? The 1980’s or 1980s? Every day (or is it everyday?) those who write or edit university communications encounter style questions such as these. Editorial style guides, which suggest consistent treatment of dates, names, capitalization and abbreviations as well as preferred usage, offer answers to such questions. But a university’s editorial style is more than answers. It is the way the university presents itself to the public through written words, whether in a brochure, magazine, newspaper ad or Web site. Having a common style helps project a consistent, professional image to the public.

**Who should use this guide?**

This style guide was written for anyone who writes, edits or proofreads Texas State communications, including brochures, booklets, posters, postcards, Web pages, invitations, etc. (Academic papers and publications will need to follow field-specific style guides.) The intent of this guide is to build Texas State’s brand by achieving a consistent style university-wide.

*See Respondent’s Exhibit 43*<sup>5</sup>

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<sup>5</sup> <http://www.umktg.txstate.edu/resources/guides/editorial-styleguide.html>

This official position of Plaintiff regarding how Texas State University-San Marcos is to be referenced by specifically stating:

**Texas State University**

The name of the university since September 2003. Use Texas State University on first reference and either Texas State University or Texas State on subsequent references (one or the other used consistently within your document). *Never use TSU or TxSt.* (emphasis added)

*See Respondent Exhibit 43*<sup>6</sup>

Another publication stating the officially sanctioned branding and referencing of Texas State University-San Marcos can be found in the Texas State University-San Marcos Athletic Branding Standards & Graphic Identity Guidelines, which states:

**TX State**

Abbreviation for Texas State University. Not TSU

*See also, Texas State University-San Marcos Athletic Branding Standards & Graphic Identity Guidelines*, at pg. 8 (published May 3, 2013). *See also Respondent's Exhibit 44*<sup>7</sup>. This publication goes on to list the “Trademarked Verbage” of Texas State University-San Marcos. The following is that list:

- Texas State University-San Marcos
- Texas State
- Bobcats
- Texas State Bobcats
- SuperCat
- Bobcat Club
- Pack Wacker
- TX State
- Eat 'Em Up, Cats

*See Id.* at pg 8.

Conspicuously absent from this list is “TXST”.

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<sup>6</sup> <http://www.umktg.txstate.edu/resources/guides/editorial-styleguide/ed-guide-t.html>

<sup>7</sup>

[http://www.txstatebobcats.com/documents/2012/2/3/Texas\\_State\\_Athletics\\_Identity\\_Branding\\_Guide.pdf?id=1607](http://www.txstatebobcats.com/documents/2012/2/3/Texas_State_Athletics_Identity_Branding_Guide.pdf?id=1607)

5. As a **Fifth and Separate Affirmative Defense**, Applicant alleges on information and belief that Plaintiff's suggestion that Respondent's properly registered trademark "TXST" (U.S. Reg. No. 3,649,427) and commercial use was neither to associate, nor otherwise attempt to create an affiliation/connection with Texas State University-San Marcos generally, but rather only as it relates to and is associated with the Texas State Renegade Rugby Football Club and for it and its members, who are students of Texas State University-San Marcos. Respondent and its members already had/have an affiliation/connection with Texas State University-San Marcos as Alumni, former students/athletes and degreed professionals who attended Texas State University-San Marcos (*formerly Southwest Texas State University*). These same Respondent members were members of the Texas State Renegade Rugby Football Club (*formerly Southwest Texas State Renegade Rugby Football Club*), which has been a recognized student organization, as well as a properly organized, recognized and participating Club Sport under the authority of the Department of Recreational Club Sports of Texas State University-San Marcos, competing within the competitive structure of and members in good standing of USA Rugby, the Western Rugby Union and the Texas Rugby Union since 1983. When Plaintiff changed its name in 2003, so too did they demand that the Club's Constitution be amended to reflect the name change, which it was.

Respondent's affiliation with Texas State University-San Marcos is solely by and through Texas State Renegade Rugby Football Club:

a) Respondent's stated Mission Statement in the properly filed Articles of Incorporation states,

Old Grey Foundation is organized exclusively for charitable & educational purposes, specifically for the benefit of the **Texas State Renegade Rugby**

**Football Club**, its membership or such organization that directly evolves from that entity, for the express purposes to: 1) Identify individuals that are committed to the game of rugby and the **Texas State Renegade Rugby Football Club** that are deserving of and in need of financial assistance for expenses related directly to their education at Texas State University – San Marcos through the awarding of financial grants to be applied towards the payment of tuition, books, room and board or other necessary expenses directly associated with their attendance of Texas State University – San Marcos; 2) Provide financial assistance in the form of stipends awarded to individuals that assist **Texas State Renegade Rugby Football Club** in the capacity of Coach, as determined by the Board of Directors; 3) Provide financial assistance to the **Texas State Renegade Rugby Football Club** generally; 4) Promote the sport of rugby in accordance and conjunction with USA Rugby and its subdivisions and member unions; and, 5) Support and improve the rugby program at Texas State University – San Marcos through educational and charitable programs and any other organization that expressly benefits the **Texas State Renegade Rugby Football Club** or that qualifies as an exempt organization under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.  
(See **Respondent’s Exhibit 2, Art. 1**)

Respondent’s members have all been formerly associated with Plaintiff as students, alumni and degreed professionals, as well as members of Texas State University Rugby Football Club and support that Club Sport both financially and through other contributions in time, materials and projects necessary for the proper and safe education and training of those student-athletes that are members of Texas State Renegade Rugby Football Club. (See **Respondent’s Exhibit 2, Art. 1**);

Respondent’s members are Alumni of Texas State University-San Marcos or Southwest Texas State University, as it was formerly named prior to Sept. 1, 2003.

Respondent’s members are also active volunteer coaches for Texas State University Renegade Rugby Football Club, seek and receive training and certification at their own costs to do so and receive no compensation (financially or otherwise) for doing so.

Respondent’s members are also active volunteer mentors to Club administrators for Texas State University Renegade Rugby Football Club, assisting Club Officers and

mentoring the Club Officers in matters relating to the administration of the Club, both in relation to Texas State University, but also, USA Rugby, Texas Rugby Union & Southwest Rugby Conference.

Respondent's support to Texas State Renegade Rugby Football Club is in accordance with its Mission Statement in the properly filed Articles of Incorporation. (*See Respondent's Exhibit 2, Art. 1*).

6. As a **Sixth and Separate Affirmative Defense**, Plaintiff states that Respondent has "not properly used and/or abandoned use of "TXST" as trademark in connection with charitable fundraising services." Contrary to such a baseless claim, Old Grey Foundation, Inc. has an express agreement with Texas State Renegade Rugby Football Club that allows their use for any and all purposes, including a source of revenue, the use of "TXST". That organization has used the mark "TXST" on all Club uniforms and apparel, of which has been both sold to the public, as well as purchased on their behalf by Texas State University-San Marcos, as well as used in all promotional materials, such as press releases, and demarcation by its parent organization, USA Rugby, Texas Rugby Union and Southwest Rugby Conference. Members of Texas State Renegade rugby Football Club have personally given away promotional stickers bearing the mark "TXST" at their designated area during New Student Orientations, provided to them by Old Grey Foundation, Inc. to promote Texas State Renegade Rugby Football Club and recruit future club members. Participation in New Student Orientations is required by and supervised by the Texas State University-San Marcos Department of Recreational Sport Clubs .

Additionally, Old Grey Foundation, Inc. has used "TXST" by and through its Licensing Agreement with Texas State University-San Marcos that allows all Texas State University –San Marcos organizations to use the "TXST" mark, excepting for profit. Other than the administration,

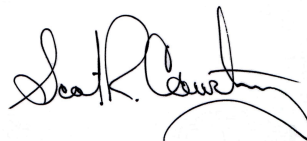


athletics and other University agents and organizations, one specific organization that uses “TXST” more than any is the Texas State Renegade Rugby Football Club, which is a recognized Student Organization and a Club Sport under the Department of Recreation of Texas State University-San Marcos. This entity also has the express authorization of Respondent (Old Grey foundation, Inc.) to do so to raise for revenue.

7. As a **Seventh and Separate Affirmative Defense**, as Applicant’s discovery and investigation continues, Applicant reserves the right to assert additional defenses as they become known as to all claims asserted against them, whether or not submitted and/or tendered.

WHEREFORE, Respondent respectfully requests that the Trademark Trial and Appeal Board deny the requested relief set forth in the Petition for Cancellation of U.S. Registration 3649427.

Respectfully submitted,

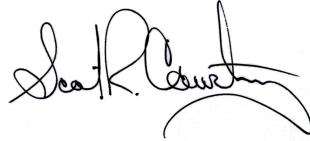


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CERTIFICATE OF SERVICE

I hereby certify that I have emailed mailed via a true and correct copy of this motion upon the below-listed counsel on this, the 2<sup>nd</sup> day of October, 2013.

A handwritten signature in black ink, appearing to read "Scot Courtney", written over a horizontal line.

Scot Courtney

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