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

Proceeding	92062860
Party	Plaintiff International IP Holdings, LLC
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

International IP Holdings, LLC,

Petitioner,

v.

Dr. Tom Miles,

Registrant.

Mark: REAL ENERGY

Registration No.: 4,534,664

Cancellation No.: 92062860

**IIPH'S OPPOSITION TO REGISTRANT'S
MOTION TO DISMISS**

Petitioner, International IP Holdings, LLC (“IIPH”), by and through its attorneys, Oakland Law Group, PLLC, hereby opposes Registrant Dr. Tom Miles’ (“Registrant”) Motion to Dismiss IIPH’s Second Amended Petition of Cancellation (“Motion”). Registrant’s Motion contends that IIPH has not alleged facts sufficient to meet the minimum threshold to confer standing.¹ Contrary to Registrant’s Motion, the Board has, on several occasions in other proceedings, held IIPH’s previous allegations sufficient for standing. Regardless, per the Board’s order IIPH detailed its previous allegations and in so doing easily surpasses the minimum standing threshold with its newly pleaded allegations that state, with specificity, IIPH’s goods, nature of business, competitive posture

¹ The Board has held, and Registrant concedes in his Motion, that IIPH has alleged a valid ground for cancelling the mark as merely descriptive

with Registrant, and past and future use of the industry-common phrase “real energy.”

I. Background

IIPH and Registrant are involved in several proceedings before the Board relating to the REAL ENERGY mark, including a nearly identical cancellation proceeding for the same mark in International Class 5, Proceeding 92062832 (“005 REAL ENERGY Cancellation”). In the instant cancellation, IIPH filed its Petition to Cancel the REAL ENERGY registration, Registration No. 4,534,664 on December 15, 2015. The registration at issue covers *dried fruit mixes; dried fruits; dried fruits in powder form; dried vegetables; dried vegetables in powder form; nut-based snack foods* in Class 29. Registrant, as pro se, filed his first Motion to Dismiss on January 30, 2016 for failure to state a claim (“First Motion to Dismiss”). The First Motion to Dismiss was also filed in the 005 REAL ENERGY Cancellation. Rather than respond to the motion, IIPH elected to amend its petition by filing its First Amended Petition to Cancel on February 10, 2016. On March 21, 2016, Registrant filed a second Motion to Dismiss (“Second Motion to Dismiss”), again with a parallel filing in the 005 REAL ENERGY Cancellation, arguing that IIPH had failed to state a claim upon which relief can be granted.

On July 6, 2016 the Board held IIPH pleaded valid grounds for seeking cancellation of the REAL ENERGY mark as merely descriptive; however, it also held that IIPH did not allege its interest with sufficient detail to satisfy the

standing requirement claiming IIPH needed to set forth the goods it manufactures with more specificity (“July Order”). (Dkt. #12, pg. 4).

Conversely, in the parallel 005 REAL ENERGY Cancellation proceeding the Board held IIPH’s First Amended Complaint sufficiently pleaded standing and valid grounds for seeking cancellation of the REAL ENERGY mark.

International IP Holdings, LLC v. Tom Miles d/b/a Real Energy, Cancellation No. 92062832 (August 17, 2016) [not precedential].

In the instant proceeding, IIPH filed its Second Amended Petition to Cancel on August 5, 2016 alleging new facts relating to the specificity of IIPH’s goods, its real interest in the proceedings, and reasonable basis for its belief that it will continue to be damaged. The newly alleged facts directly address the July Order’s goods specificity requirements, namely:

- Setting forth IIPH’s specific goods (dietary supplements; energy shots);
- the nature of IIPH and Registrant’s industry (consumer packaged goods);
- That IIPH and Registrant are direct competitors (the respective goods emanate from the same source; are sold in the same channels of trade; and compete for the same customers); and
- IIPH’s need to use the phrase “real energy” descriptively without potential litigation from Registrant (commonly used phrase in the industry and one IIPH has contemplated and may use).

On September 2, 2016 Registrant filed another Motion to Dismiss claiming IIPH has not established standing.

II. Argument

1. Pleading Standard

IIPH has standing to assert the REAL ENERGY mark is descriptive because it has pleaded that it has a real interest in the proceeding and has a prospective right to use the term descriptively in its business. Petitioner need only demonstrate that it has a “real interest,” i.e., a personal stake, in the outcome of the proceeding and a reasonable basis for its belief of damage. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999).

“[T]here is no requirement that actual damage be pleaded or proved, or that plaintiff show a personal interest in the proceeding different or ‘beyond that of the general public’ in order to establish standing or to prevail in an opposition or cancellation proceeding.” TBMP § 309.03(b); citing *inter alia Blackhorse v. Pro-Football, Inc.*, 98 USPQ2d 1633, 1638 (TTAB 2011).

“[W]hen descriptiveness or genericness of the mark is in issue, plaintiff may plead (and later prove) its standing by alleging that it is engaged in the sale o[f] the same or related products or services ... and that the plaintiff has an interest in using the term descriptively in its business.” TBMP § 309.03(b) (emphasis added); see also *Binney & Smith Inc. v. Magic Marker Industries, Inc.*, 222 USPQ 1003, 1010 (TTAB 1984) (“In order to establish its standing to object to the registration of an allegedly merely descriptive or deceptively misdescriptive term, a plaintiff need only show that it is engaged in the manufacture or sale of

the same or related goods as those listed in the defendant's involved application or registration and that the product in question is one which could be produced in the normal expansion of plaintiff's business.”). Accordingly, case law and the TBMP are clear that one need only allege it is engaged in the sale of related goods and have a reasonable belief of damage. IIPH's Second Amended Petition has surpassed this minimum threshold.

2. The Board has repeatedly held the allegations in IIPH's previous First Amended Petition sufficient for establishing standing.

IIPH expounded on its pleaded allegations with the Second Amended Petition per the July Order in this case. However, the Board has held, on several occasions in other proceedings, that the previously worded petition was adequately pleaded. In the parallel proceeding, the 005 REAL ENERGY Cancellation, Registrant filed a nearly identically worded motion to dismiss IIPH's petition. In its August 17, 2016 order the Board held IIPH established standing:

“Here, Petitioner has alleged that it is ‘engaged in offering goods identical to those identified’ in the involved registration [First Amended Petition, ¶ 4], that the ‘continued registration of Registration ‘225 would damage [Petitioner] ... by granting [Respondent] exclusive rights to use the phrase ‘real energy’ or similar phrases’ [¶ 10], and that ‘[s]uch registration will prevent [Petitioner] ... from using that phrase, or similar information or laudatory phrases, in a generic or descriptive sense without apprehension of [Respondent] claiming trademark infringement.’ [¶ 10]. These allegations are sufficient to provide Petitioner with a basis for pleading its standing.”

International IP Holdings, LLC v. Tom Miles d/b/a Real Energy, Cancellation No. 92062832 (August 17, 2016) [not precedential].

Moreover, IIPH's allegations were similarly challenged with a motion to dismiss by a third party in an unrelated proceeding in which IIPH is challenging a competitor's attempt to register the descriptive phrase BIG SHOT for a bigger than normal size energy shot. See Opposition No. 91224925. There the Board again held IIPH's previous language sufficient for standing purposes:

“Opposer alleges that it offers goods identical to those goods identified in the subject application (Notice of Opp., para. 4), that numerous third-parties in the relevant industry use the phrase “big shot” in connection with related goods (para. 7), and that registration of the subject mark THE BIG SHOT would prevent Opposer from using the mark in a descriptive manner (para. 8). In view thereof, Opposer has sufficiently pleaded its standing.

International IP Holdings, LLC v. N.V.E., Inc., Opposition No. 91224925 (January 7, 2016) (“NVE Proceeding”).

Registrant's motions in this case draw heavily from the motion filed by the applicant in the NVE Proceeding and are nearly identical to the motions likewise filed in the 005 REAL ENERGY Cancellation. In both instances the Board held allegations less specific than those now in the Second Amended Petition adequate to confer standing.

3. IIPH has surpassed the minimum standing requirements.

While IIPH respectfully disagrees with the July Order, it re-pleaded its petition with ample allegations to leave no doubt as to its legitimate standing and interest in this proceeding. Whether applying the same standard as the 005 REAL ENERGY Cancellation and the NVE Proceeding, or a heightened

standard, IIPH has cleared the bar. In the July Order the Board found Petitioner did not set forth the goods that it manufactures with specificity, detail its industry, state whether Petitioner and Respondent are competitors, or state Petitioner's need to use the term "real energy." (Dkt. #12, pg. 4). In response, IIPH addressed each of the ways to establish standing with the following new allegations in the Second Amended Complaint:

4. IIPH has a real interest in the proceedings and will be harmed by the continued registration of Registration '664 by nature of IIPH's business in the same industry of consumer packaged goods, its sale of related impulse goods, and its prior use or contemplation of use of the identical phrase "real energy" in its marketing.
5. IIPH is, and for many years has been, engaged in selling dietary supplements and goods commonly referred to as energy shots ("IIPH's Goods").
6. IIPH's Goods and those identified in Registration '664 often emanate from the same source, are sold in the same channels of trade, and contend for the same customers.
7. IIPH has used, contemplated use, and/or plans to use the phrase "real energy" descriptively as part of its marketing efforts for its dietary supplements under the 5-HOUR ENERGY and 5-HOUR ENERGY Protein brands.
(Dkt. #13, pg. 2).

Accordingly, IIPH has clarified its goods are dietary supplements and energy shots. IIPH and Registrant both operate in the consumer packaged goods industry. Indeed, IIPH and Registrant are direct competitors with goods that often emanate from the same source, sell through the same channels of trade, and compete for the same customers. Lastly, the phrase is commonly used in the

industry, IIPH has contemplated its use, and has a prospective intention and right to use the phrase without fear of Registrant claiming infringement. In fact, evidence will be presented showing a planned marketing campaign in 2008 that prominently featured the phrase “real energy.” Evidence regarding the marketing’s breadth and geographic scope is currently being gathered.

Regardless, as made clear by *Blackhorse v. Pro-Football, Inc.* there is no requirement that actual damage be pleaded and proved in order to establish standing. *Blackhorse v. Pro-Football, Inc.*, 98 USPQ2d 1633, 1638 (TTAB 2011).

Registrant’s Motion argues more that IIPH should not have had an opportunity to file a Second Amended Petition rather than the Second Amended Petition is inadequate. Still, Registrant’s motion can be synthesized to two arguments. That IIPH has not identified the goods it offers for sale and it has not presented any evidence of proof. Both arguments necessarily fail. First, as shown above, and made clear in the Second Amended Petition, IIPH identifies its goods as dietary supplements including energy shots sold under the 5-HOUR ENERGY and 5-HOUR ENERGY Protein brands. Second, it is axiomatic that IIPH need not attach evidence or prove-up its allegations in its petition. Plaintiff must plead (and later prove) its standing. TBMP §309.03(b). IIPH is not required to prove its claims to the hilt in its petition to cancel. Pleadings necessarily contain less facts than during trial as pleadings are alleged based on information gathered prior to conducting discovery.

III. Conclusion

For the reasons stated above, IIPH International IP Holdings, LLC respectfully requests that the Board deny Registrant's Motion and for such other relief as this Honorable Board deems appropriate. In the alternative, should the Board determine that standing is not pleaded with sufficiently, IIPH hereby respectfully request leave to amend the Petition to Cancel.

Respectfully submitted,

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Date: October 24, 2016

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CERTIFICATE OF SERVICE

The Undersigned hereby certifies that on this 24th day of October, 2016, a true copy of the foregoing **Opposition to Registrant's Motion to Dismiss** is being served on Applicant via First Class Mail:

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