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

Proceeding	92065911
Party	Plaintiff Joseph Valenti
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Date	05/29/2018
Attachments	NERO Response 5.29.2018.pdf(98668 bytes)

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

3 In the matter of trademark Registration No. 4657988

4 For the mark NERO

5 Registered on December 16, 2014

6
7 Joseph Valenti, NERO International

8 Holding Co., Inc., and NERO Live

9 Adventure Games, LLC,

10 Petitioner's,

11 v.

12 NERO World, LLC,

13 Defendant.

Cancellation No. 92065911

14
15 **PLAINTIFF'S RESPONSE TO DEFENDANT'S OPPOSITION TO**

16 **PLAINTIFF'S MOTION TO AMEND PETITION**

17 COMES NOW, Joseph Valenti, NERO International Holding Co., Inc., and NERO Live
18 Adventure Games, LLC ("Valenti," "NIHC," and "NLAG," respectively and individually, collectively
19 "Petitioner's") and hereby submits its reply in further support of its Motion to Amend Petition For
20 Cancellation ("Amended Motion") filed on April 10, 2018, and in response to NERO World, LLC's
21 ("Defendant") opposition to the Amended Motion, filed on May 7, 2018. Petitioner's respectfully request
22 the Board deny Defendant's opposition to Petitioner's Amended Motion and allow the Amended Motion
23 to prevail.

24 **Response to Defendant's First Argument**

25 Petitioners have followed TTAB procedures to add parties. Petitioner initially filed a Motion For
26 Leave to Amend Petitioner's Name ("Motion to Amend Name") to allow the addition of NIHC and
27 NLAG (16 TTABVUE). Petitioner's then filed the extensive amounts of evidence to support its Motion to

1 Amend Name, as well as clarifying standing for the Amended Motion.

2 Valenti included numerous years' of *filed* tax returns proving standing for Valenti, NIHC, and
3 NLAG (emphasis added). These documents show that Valenti has operated and continues to operate
4 NIHC and NLAG. There should be no question that these "...legal entities exist..." since Valenti has
5 provided tax returns, showing he operates and owns the legal entities, and a search of NIHC online
6 shows that it is active. Petitioners are unaware of any need for a company to provide a letter of good
7 standing to show it has standing, however, Petitioner can easily acquire one if needed.

8 Defendant's additional arguments of being robbed of an opportunity to respond or oppose to the
9 amended motions is absurd. Pursuant to the Boards Order on March 21, 2018, Defendant was given
10 thirty days to respond Petitioner's filing. Defendant had ample time to respond to Petitioner's Amended
11 Motion, which it did. Defendant will also be given additional time after the ruling on Petitioner's
12 Amended Motion. Therefore, Defendant's will not be robbed of any opportunity to respond to
13 Petitioner's filings.

14 Response to Defendant's Second Argument

15 Amendments to pleadings in inter partes proceedings before the Board are governed by Fed. R.
16 Civ. P. 15, which is made applicable to Board proceedings by Trademark Rule 2.116(a). See also TBMP §
17 507.01. Fed. R. Civ. P. 15(a) governs amendments before trial. Pursuant to Fed. R. Civ. P. 15(a)(2): a party
18 may amend its pleading only with the opposing party's written consent or the court's leave. The court
19 should freely give leave when justice so requires. As a general policy, the Board liberally grants leave to
20 amend pleadings at any stage of a proceeding when justice so requires, unless entry of the proposed
21 amendment would violate settled law or be prejudicial to the rights of the adverse party. *See American*
22 *Optical Corp. v. American Olean Tile Co.*, 168 USPQ 471 (TTAB 1971); TBMP § 507.02. The timing of the
23 motion for leave to amend plays a large role in the Board's determination of whether the adverse party
24 would be prejudiced by allowance of the proposed amendment. *See, e.g., United States Olympic Committee*
25 *v. O-M Bread Inc.*, 26 USPQ2d 1221, 1222 (TTAB 1993) (applicant not prejudiced because proceeding still
26 in pre-trial phase).

27 In the present instance, the Applicant would not be unduly prejudiced by the allowance of the

1 Amended Motion. Defendants have been on notice about Petitioner's claims since the first filing and has
2 known the Petitioner's. Although Valenti wants to add NIHC and NLAG, Defendants are well aware of
3 these legal entities as shown by the substantial evidence provided by Valenti and his tax returns.
4 Additionally, an answer has yet to be filed by Defendant, so there is no harm to Defendant by allowing
5 the Amended Motion. The Board has generally been willing to grant such motions when the
6 proceedings are still in the pretrial phase. *See, e.g., Cool-Ray, Inc. v. Eye Care, Inc.*, 183 USPQ 618, 621
7 (TTAB 1974). Should the Board deny the Amended Motion, only the Petitioner's would be prejudiced
8 by losing the opportunity to cancel Defendant's registration. Petitioner's would also ask the Board that if
9 the Motion to Amend Name be denied, the evidence supplied by Valenti should be given weight to allow
10 the cancellation to continue under Valenti and/or NIHC, and/or NLAG, separately or together.

11 Response to Defendant's Third Argument

12 With respect to standing, the Trademark Trial and Appeal Board Manual of Procedure (309.03(b))
13 states (citations omitted):

14 "Any person who believes it is or will be damaged by registration of a mark has standing to file a
15 complaint. See TBMP § 303. At the pleading stage, all that is required is that a plaintiff allege facts
16 sufficient to show a 'real interest' in the proceeding, and a 'reasonable basis' for its belief that it would
17 suffer some kind of damage if the mark is registered. See also TBMP § 303.06 regarding pleading of
18 standing by joint plaintiffs. To plead a 'real interest,' plaintiff must allege a 'direct and personal stake' in
19 the outcome of the proceeding. The allegations in support of plaintiff's belief of damage must have a
20 reasonable basis 'in fact.'"

21 "Allegations in support of standing which may be sufficient for pleading purposes must later be
22 affirmatively proved by the plaintiff at trial (or on summary judgment). However, there is no
23 requirement that actual damage be pleaded or proved, or that plaintiff show a personal interest in the
24 proceeding different or 'beyond that of the general public,' in order to establish standing or to prevail in
25 an opposition or cancellation proceeding. See TBMP § 303.03."

26 "A real interest in the proceeding and a reasonable belief of damage may be found, for example,
27 where plaintiff pleads (and later proves):"

1 “A claim of likelihood of confusion that is not wholly without merit, including claims
2 based upon current ownership of a valid and subsisting registration or prior use of a
3 confusingly similar mark. ...;”

4 “Plaintiff has a bona fide intent to use the same mark for related goods, and is about to file
5 an intent-to-use application to register the mark, and believes registration of the mark will
6 be refused in view of defendant’s registration; ...”

7 “A plaintiff need not assert proprietary rights in a term in order to have standing. For
8 example, when descriptiveness or genericness of the mark is in issue, plaintiff may plead
9 (and later prove) its standing by alleging that it is engaged in the sale of the same or
10 related products or services (or that the product or service in question is within the normal
11 expansion of plaintiff’s business) and that the plaintiff has an interest in using the term
12 descriptively in its business. (That is, plaintiff may plead that it is a competitor.)”

13 “If a plaintiff can show standing on one ground, it has the right to assert any other grounds in an
14 opposition or cancellation proceeding.”

15 To start, Defendant’s arguments of standing should be denied and given no weight. The correct
16 way to argue against standing is by filing a motion to dismiss under FRCP 12(b)(6) and not buried within
17 a response. Without a correctly filed motion, Petitioners are substantially harmed and unable to
18 adequately respond to standing issues.

19 Petitioners also have argued and provided ample evidence showing Petitioners, Valenti, NIHC,
20 and NLAG, all have a real interest in the proceedings and a reasonable belief of damage if the Defendant
21 is allowed to keep their registered trademark. Valenti has provide numerous tax documents showing
22 that he is the sole owner and operator of NIHC and NLAG. Petitioners will be substantially harmed as it
23 will put both NIHC and NLAG as infringers of Defendant’s mark, thereby putting Valenti out of
24 business. Additionally, NIHC has shown it has standing due to NIHC’s trademark application, U.S.
25 Serial Number 87865575.

26 Therefore, Defendant’s argument of lack of standing should be given no weight. Even if the
27 argument is given weight, Petitioners have demonstrated their standing.

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CONCLUSION

For the foregoing reasons, Petitioners have raised more than sufficient and plausible facts in its Amended Motion that defeat Defendant’s arguments. Therefore, Petitioners ask the Board to grant Petitioner’s Motion to Amend Name, allow the Petitioner’s Amended Motion, and reset the trial dates to allow Defendant to respond. If the Board should determine Petitioner’s motions are lacking, Petitioner’s ask the Board to give leave to allow for modification.

Date: May 29, 2018

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CERTIFICATE OF SERVICE

I, Phillip Thomas Horton, Esq., certify that a true and correct copy of the foregoing document was filed with the Trademark Trial and Appeal Board via the Electronic System for Trademark Trials and Appeals and was sent via email to Jovanna Bearden at the following email address:

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Dated: May 29, 2018

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