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

Proceeding	92065911
Party	Defendant NERO World, LLC
Correspondence Address	JOVANNA R BEARDEN BEARDEN LAW 104 S MAIN STREET BUTLER, MO 64730 UNITED STATES Primary Email: jovannabearden@gmail.com Secondary Email(s): email@bearden.law 816-787-1979
Submission	Answer
Filer's Name	Jovanna R Bearden
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Signature	/Jovanna R Bearden/
Date	08/12/2020
Attachments	Ford - Amended Answer.pdf(131250 bytes)

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

Joseph Valenti, NERO International Holding)
Co., Inc., & NERO Live Adventure Games, LLC,)
v.) Cancellation No. 92065911
NERO World, LLC,)

DEFENDANT’S AMENDED ANSWER AND DEFENSES

Comes now Jovanna Bearden, attorney for Defendant NERO World, LLC, and Answers
Plaintiff’s Amended Complaint as follows:

Answer

1. Defendant is unable to affirm or deny and on that basis denies the allegations of paragraph 1.
2. Deny.
3. Deny.
4. Admit.
5. Deny.
6. Deny.
7. Deny.
8. Deny.
9. Defendant admits that Nero International Holding Company’s ‘409 Registration was canceled and denies the remaining allegations of paragraph 9.

10. Deny.

11. Deny.

12. Deny.

13. Deny.

14. Deny.

15. Deny.

16. Deny.

17. Admit.

18. Defendant Admits that Cease & Desist letters were sent to Plaintiff and Denies all other allegations of paragraph 18.

19. Deny.

20. Defendant incorporates all prior responses.

21. Deny.

22. Admit.

23. Deny.

24. Deny.

25. Deny.

26. Deny.

27. Deny.

28. Deny.

29. Deny.

30. Deny.

31. Defendant Admits that Nero International Holding Company's '409 Registration was canceled March 20, 2019, Defendant denies all other allegations of Paragraph
32. Deny.
33. Defendant is unable to admit or deny the allegations of Paragraph 33 and on that basis Denies the same.
34. Defendant admits that William J. Bearden d/b/a NERO Central ("Bearden") entered into a License Agreement on April 1, 2006, allowing Bearden to use the NERO trademark, likeness, and goodwill; Defendant denies that NIHC was a party to the License Agreement.
35. Defendant admits the Agreement states "Nero is the registered trademark of NERO International Holding Co., Inc., USPTO Trademark Registration Number 2,270,409", Defendant denies the remaining allegations of paragraph 35.
36. Deny.
37. Defendant denies that the trademark application was for goods, and admits the remaining allegations of paragraph 37.
38. Admit.
39. Defendant admits that a communication was sent;
 - a. Defendant denies the allegations of paragraph 39a;
 - b. Defendant denies the allegations of paragraph 39b;
 - c. Defendant denies the allegations of paragraph 39c;
 - d. Defendant denies the allegations of paragraph 39d;
 - e. Defendant denies the allegations of paragraph 39e;

40. Admit.

41. Deny.

42. Admit.

43. Admit.

44. Deny.

45. Deny.

46. Deny.

47. Deny.

48. Defendant incorporates its above responses herein.

49. Deny.

50. Deny.

51. Deny.

52. Deny.

53. Deny.

54. Deny.

55. Deny.

56. Deny.

57. Deny.

58. Deny.

59. Deny.

60. Defendant is unable to affirm or deny and on that basis denies the allegations of
paragraph 60.

61. Deny.

62. Deny.

63. Deny.

64. Deny.

65. Deny.

66. Deny.

67. Deny.

68. Deny.

69. Deny.

70. Deny.

71. Deny.

72. Deny.

73. Deny.

74. Defendant incorporates its above responses herein.

75. Deny.

76. Deny.

77. Deny.

78. Deny.

a. Defendant denies the allegations of 78a.

b. Defendant denies the allegations of 78b.

c. Defendant denies the allegations of 78c.

d. Defendant denies the allegations of 78d.

79. Deny.

- a. Defendant denies the allegations of 79a.
- b. Defendant denies the allegations of 79b
- c. Defendant denies the allegations of 79c.
- d. Defendant denies the allegations of 79d.

80. Deny.

- a. Defendant denies the allegations of 80a.
- b. Defendant denies the allegations of 80b.
- c. Defendant denies the allegations of 80c.
- d. Defendant denies the allegations of 80d.

81. Deny.

82. Deny.

83. Deny.

84. Deny.

85. Deny.

86. Deny.

87. Deny.

88. Deny.

89. Deny.

90. Deny.

91. Deny.

92. Defendant incorporates its above responses herein.

93. Deny.
94. Admit.
95. Admit.
96. Deny.
97. Admit.
98. Admit.
99. Admit.
100. Deny.
101. Deny.
102. Deny.
103. Deny.
104. Deny.
105. Deny.
106. Deny.
107. Deny.
108. Deny.
109. Deny.
110. Deny.
111. Deny.
112. Deny.
113. Defendant incorporates its above responses herein.
114. Deny.

115. Deny.

116. Deny.

117. Defendant is unable to admit or deny, and on that basis denies the allegations
of paragraph 117.

118. Admit.

119. Deny.

120. Admit.

121. Admit.

122. Deny.

123. Deny.

124. Deny.

125. Deny.

126. Deny.

127. Deny.

128. Deny.

129. Deny.

130. Deny.

131. Deny.

132. Deny.

133. Deny.

134. Deny.

135. Deny.

Defenses

First its Defenses Nero World, LLC states as follows:

1. (STRUCK BY THE BOARD, See Docket Entry No. 41.)
2. (STRUCK BY THE BOARD, See Docket Entry No. 41.)
3. (STRUCK BY THE BOARD, See Docket Entry No. 41.)
4. For its fourth defense, Defendant asserts that Petitioners' unclean hands bar Petitioners from any rights they may have acquired through their fraudulent use of the mark.

“Assertion of the defense of unclean hands, though often based on allegations of fraud, misrepresentation of source, or violation of antitrust laws, ‘may result from any imaginable immoral or illegal conduct.’ See 3 J. Gilson Trademark Protection and Practice § 8.12[13] (1999).” *Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc.*, 60 U.S.P.Q.2D (BNA) 1733, 1738 (Trademark Trial & App. Bd. July 30, 2001).

“The improper use of a registration notice in connection with an unregistered mark, if done with intent to deceive the purchasing public or others in the trade into believing that the mark is registered, is a ground for denying the registration of an otherwise registrable mark.” *Copelands’ Enterprises Inc. v. CNV Inc.*, 20 USPQ2d 1295, 1298 (Fed. Cir. 1991). Indeed, the fraudulent use of a trademark registration symbol not only provides marketplace participants with standing to oppose the registration of a mark, it also bars the right to register a mark altogether. See *Wells Fargo & Co. v. Lundeen & Assoc.*, 20 U.S.P.Q.2d 1156 (T.T.A.B. 1991). “It is no doubt true’ that affixing the ‘Trade Mark Registered U.S. Patent Office’ notice on goods that are not protected by a federally registered trademark creates ‘a prima facie case of fraud against the public... .’” *Sauquoit Paper Co. v. Weistock*, 46 F.2d 586, 581 (C.C.P.A. 1931) “When [] the assertedly improper conduct relates to the use

of the mark, the [unclean hands] defense may be considered even in relation to rights acquired through use.” *Hornblower at 1738*. "Courts whose duty it is to enjoin practices tending to confuse and deceive the buying public, will not consciously assist a seller to palm off his goods as those of another." *Cott Beverage Corporation v. Canada Dry Ginger Ale, Incorporated, et al.*, 112 USPQ 261, 263 (D.C. N.Y., 1956). "The public interest requires that no obligation be imposed upon the Patent Office to register a mark when it is apparent that such a registration will provide a protective cover under which the registrant can better proceed to flout the law and practice deceit upon the public," *The Coca-Cola Company v. Victor Syrup Corporation*, 104 USPQ 275, 278 (CCPA, 1954). Petitioners, acting in various guises, have defrauded the purchasing public and other business owners for the period 2002 through the present by:

- a. Consistently holding themselves out to own a registered trademark when they do not, and doing so with the intent to deceive their customers and the public at large. The larping community has copious examples of this behavior by the Petitioner, but enough examples can be found in the evidence that Petitioners have filed with their Petition (Doc 29) and their Motion for Summary Judgment (Docs 42, 43, 44, and 45) to demonstrate this pattern to the Board.
- b. Continuing to execute license agreements, licensing the use of “NERO” as “President” of the dissolved NERO International Holding Co., Inc between the years of 2002 and 2005, when there was no functioning corporation named Nero International Holding Co., Inc., and no legal entity which actually owned the rights to the trademark “NERO,”.: Doc 44, Declaration of Joseph Valenti Exhibit J: parts 7-9, License agreement for Will Broderick,

Valarie Broderick and Andrew Howell, executed in March, 2003; and parts 9-13, License Agreement for Benjamin Loudin and Kyle Jeffers, executed in September and November, 2004.

- c. Holding out Nero International Holding Co., Inc. as functioning and in good standing to the public at large while the company was dissolved and not legally functioning from around 2002 through 2005, making the public think that these intellectual properties were owned by an entity that did not exist: Doc 43. Declaration of Joseph Valenti Exhibit H part 1, as of April 5, 2003: Stating Nero International Holding Co., Inc. and its mailing address on the nerolarp.com website with a last updated note of September 20, 2002; Stating “Copyright© 1988-2003 NERO International Holding company, Inc., All Rights Reserved”; Doc 43. Declaration of Joseph Valenti Exhibit H part 1, as of November 15, 2004: An image of “Nero” with a registered trademark symbol on the website; Stating “The NERO Rule Book© is Copyrighted 1988-2004 by NERO International Holding Company, Inc., All Rights Reserved.”
- d. Rather than paying the taxes owed and reviving the company which at one point legitimately held the trademark, creating a second NERO International Holding Co, Inc. in February, 2005 and holding it out as the original company with its attendant rights. The trademark “NERO” was not assigned to this second company, and Mr. Valenti knew it was not, as he had created the new company and not assigned the trademark. And yet, this second company was held out as the owner of this trademark on the nerolarp.com website: Doc 43. Declaration of Joseph Valenti Exhibit H part 1, as of April 28, 2006 and

December 31, 2006: “Copyright© 1988-2005 NERO® International Holding Co., Inc., All Rights Reserved NERO® is the Registered Trademark of NERO International Holding Co., Inc. USPTO registration number 2,270,409 Unauthorized use of the NERO Name, NERO Logo, NERO Rule Book© or NERO Game System© is strictly prohibited. The NERO Rule Book© is Copyrighted 19882005 by NERO International Holding Co., Inc., All Rights Reserved.” Doc 43. Declaration of Joseph Valenti Exhibit H part 2, as of March 12, 2007, June 21, 2008, March 18, 2009, and February 1, 2010: “Copyright© 1988-2007 NERO® International Holding Co., Inc., All Rights Reserved NERO® is the Registered Trademark of NERO International Holding Co., Inc. USPTO registration number 2,270,409 Unauthorized use of the NERO Name, NERO Logo, NERO Rule Book© or NERO Game System© is strictly prohibited. The NERO Rule Book© is Copyrighted 19882007 by NERO International Holding Co., Inc., All Rights Reserved.”

- e. Holding out this second company as owner of the trademark in the license agreements executed at this time, licensing the “NERO” trademark to individuals despite the fact that this second company did not own the trademark: Doc 43, Declaration of Joseph Valenti, Exhibit K: License agreement with Shane Billingsley and William Joseph Bearden (Respondent in this action); Doc 44-45, Declaration of Joseph Valenti Exhibit J: Part 13-15, License agreement with David Cali, Lynn Taylor, and Chris Munroe; Part 15-17, license agreement with Eric Bauer & Robert Dreyer.
- f. Around the time of dissolution of this second company by the State of New York, on April 27, 2011 for failure to pay its taxes, holding out a that a third

company, NERO Live Adventure Games, LLC, in a similar way as the successor in good standing to one of the NERO International Holding Co, Inc. companies, with its attendant rights, while knowing that this third company had never actually been brought into existence and had never been assigned any rights to contracts or property: Declaration of William Joseph Bearden filed in support of Respondents' Motion for Summary Judgment at Exhibit 1 page 52:8-53:22; Doc 45, the Declaration of Joseph Valenti, Exhibit J: part 17-19, the License for Harlen Thomason executed June 9, 2011; Part 19-20, the License for Clinton Snyder, Cassandra Kirschbaum and Vince Errico executed March 5, 2012. Doc 42, the Declaration of Joseph Valenti, Exhibit I, the current nerolarp.com website printed as of May 31, 2019: States the name of the business as "NERO Live Adventure Games, LLC" on pages 1 -17, from September 27, 2011 - August 9, 2013; Lists "Nero®" in conjunction with NERO Live Adventure Games, LLC on pages 3-17, from September 27, 2011 - August 9, 2013; States "Joseph Valenti has been the president of NERO Live Adventure Games since August 03, 1998" July 19, 2012 - Dec 4, 2014" on pages 3, 6-12. Website footer states "Official NERO LARP (Live Action Role Play) Site. Joseph Valenti d/b/a NERO Live Adventure Games LLC" as of May 31, 2019"; Doc 43, Declaration of Joseph Valenti, Exhibit H: Part 2-4: Print out of website from April 19, 2011, July 19, 2011: "Copyright© 1988-2011 NERO® Live Adventure Games, LLC., All Rights Reserved The NERO Rule Book© is Copyrighted 1988-2011 by NERO Live Adventure Games, LLC., All Rights Reserved. NERO® is the Registered Trademark of NERO Live Adventure Games, LLC. USPTO registration number 2,270,409

Unauthorized use of the NERO Name, NERO Logo, NERO Rule Book© or NERO Game System© is strictly prohibited” Part 3-4: Print out from Website from August 28, 2012, Oct 27, 2013. Feb 28, 2014; NERO Live Adventure Games, LLC. (The NERO LARP); Part 5: Print out from Website from July 20, 2018; Official NERO LARP (Live Action Role Play) Site. Joseph Valenti d/b/a NERO Live Adventure Games LLC

- g. Updating websites Petitioners claim to control and use to advertise with material misrepresentations about the legal status of the corporation and their “trademarks” in ways that Valenti testified he knew were untrue is conclusive evidence of intentional systematic fraud on the public and others in Petitioners’ use of the marks.
5. For its fifth defense, Defendant asserts that portions of this action are barred because the “trademark” NERO LARP are generic, non-distinctive, ornamental, and/or merely descriptive.
6. For its sixth defense, Defendant asserts that any claim which any Plaintiff may have had on any trademarks at issue was abandoned prior to use and registration of Defendant’s trademark, and that Defendant’s use and registration of the trademark was prior to any renewed legitimate use of the mark by Plaintiffs.
7. (STRUCK BY THE BOARD, See Docket Entry No. 41.)
8. For its eighth defense, Defendant asserts that no Plaintiff has any enforceable trademark right in any of the disputed marks.
9. (STRUCK BY THE BOARD, See Docket Entry No. 41.)

Prayer for Relief

WHEREFORE, Defendant denies that Plaintiffs are entitled to any relief and prays for entry of judgment against Plaintiff, dismissing with prejudice and on the merits all of Plaintiffs' claims and awarding Defendant such other relief as the Board deems just and proper.

Dated: August 12, 2020

By: / Jovanna R. Bearden /
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CERTIFICATE OF SERVICE

I, Jovanna R. Bearden, certify that on this 12th day of August, 2020, 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 sent by email to Counsel for Plaintiff, Phillip Thomas Horton at NEROLitigation@gmail.com .

By: / Jovanna R. Bearden /
Jovanna R. Bearden