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

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| Proceeding | 92066320 |
| Party | Defendant Research Sports Nutrition, LLC and Nutrition Distribution, LLC |
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the matter of Trademark Registration No.: 4,286,987

Trademark: GERMAN CREATINE

Owner: Research Sports Nutrition, LLC; Nutrition Distribution LLC

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| <p>Fitness Labs Nutrition Corporation, a California Corporation,</p> <p>Petitioner,</p> <p>v.</p> <p>Research Sports Nutrition, LLC, an Arizona Limited Liability Company And Nutrition Distribution, LLC, an Arizona Limited Liability Company</p> <p>Registrants.</p> | <p>Cancellation No.: 92066320</p> |
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**REGISTRANTS' OPPOSITION TO PETITIONER'S MOTION FOR
RECONSIDERATION OF THE BOARD'S SUMMARY JUDGMENT RULING**

I. INTRODUCTION

The Board correctly denied Petitioner’s motion for summary judgment as to the issue of priority of acquired distinctiveness. In its motion for reconsideration (“Motion”), Petitioner’s statement of the issue presented mischaracterizes the Board’s ruling and asks for “reconsideration” of a question of law that is not at issue. The issue presented is whether “a petitioner need[s] to prove acquired distinctiveness if the petitioner has priority of use *and the registrant has not acquired distinctiveness.*” (36 TTABVUE 1 (emphasis added).) But the Board did *not* rule that Registrants never acquired distinctiveness. Quite the opposite—it ruled that this case requires “*a trial on the issue of priority of distinctiveness.*” (33 TTABVUE 10 (the “Ruling”) (emphasis added).)¹ Because the Board did not rule on whether Registrants acquired distinctiveness, the Motion is premature and asks the Board to render an advisory opinion addressing a hypothetical situation. The Motion fails because the issue presented, regardless of how it is resolved, could not provide grounds to disturb the ruling that there is a genuine dispute as to priority of acquired distinctiveness.

Even if the issue presented for “reconsideration” were ripe, Petitioner’s argument fails because it contravenes the controlling law identified in the Ruling. Each authority that Petitioner cites for support is either dicta or a non-precedential opinion citing that dicta. Moreover, Petitioner’s Motion is nothing more than a rehashing of the same erroneous theory from its summary judgment motion—supported by the same authorities—that the Board already considered and rejected, and the Motion fails for this additional, independent reason. The Board should deny the Motion.

¹ Indeed, the Registrant has in its possession, and intends to present documentary and testimonial evidence of distinctiveness and secondary meaning at trial.

II. ARGUMENT

A. **The Motion Should Be Denied Because It Incorrectly Assumes That the Board Ruled Against Registrants on the Issue of Acquired Distinctiveness.**

The Motion asks the Board to reconsider the Ruling as to the issue of acquired distinctiveness of the contested mark. (36 TTABVUE 1.) Petitioner frames the issue presented as whether it must prove acquired distinctiveness if it has priority of use “and the registrant has not acquired distinctiveness.” (*Id.*)

The Motion is fatally flawed because it incorrectly assumes that the Board ruled in Petitioner’s favor on the factual issue of whether *Registrants* acquired distinctiveness in the mark. Petitioner asserts that it should prevail because “either Petitioner has priority of acquired distinctiveness, or *arguendo* even if neither party has distinctiveness, then Petitioner has priority of use.” (*Id.* at 1 n. 1.) Petitioner leaves out the obvious third possibility—that Registrants acquired distinctiveness—conveniently pretending that the Ruling decided the issue in Petitioner’s favor. The Board did not so rule. Instead, the issue of acquired distinctiveness *is genuinely disputed and requires a trial.* (33 TTABVUE 10.)²

Because Petitioner’s argument assumes a conclusion the Board did not reach, the issue presented is not ripe and provides no grounds for the Board to disturb the ruling that a genuine dispute exists regarding distinctiveness. The Board should deny the Motion for this reason alone.

² The Ruling also explicitly notes that, in light of the “comparison of the parties’ respective sales of goods under the mark,” it “decline[d] to treat Respondents as having conceded the issue of distinctiveness.” (*Id.*)

B. The Motion Should Be Denied Because Petitioner’s Argument Contravenes the Controlling Law.

Even if Petitioner’s “priority of use” theory were properly before the Board, the Motion fails because it contradicts established precedent and is supported only by dicta and non-precedential opinions referencing that dicta. As the Ruling recognized, *Towers v. Advent Software Inc.*, 913 F.2d 942, 16 USPQ2d 1039 (Fed. Cir. 1990) controls here. (33 TTABVue 9 n. 11.) In *Towers*, the Federal Circuit held that a prior user only acquires proprietary rights to an unregistered term “when the term is distinctive, either inherently or through the acquisition of secondary meaning.” 913 F.2d at 944. And to prevail on a cancellation claim, a party must have proprietary rights in its pleaded previously used mark. See *Otto Roth & Co. v. Universal Foods Corp.*, 640 F.2d 1317, 209 USPQ 40 (CCPA 1981). Therefore, a prior user who cannot show acquired distinctiveness has no rights to the mark and cannot seek cancellation based on usage alone. None of Petitioner’s cited authorities creates an exception to this established rule.

Perma Ceram Enters. Inc. v. Preco Indus. Ltd., also cited in the Ruling, expands upon the *Towers* opinion and addresses the issue presented in Petitioner’s Motion: “[I]t is apparent that the controlling law ... is that where the mark relied upon by a plaintiff in support of its priority of use and likelihood of confusion claim is merely descriptive..., then the plaintiff must establish priority of acquired distinctiveness.” 23 USPQ2d 1134, at *5 (TTAB 1992). “[T]he priority contest ... is not solely one of who used the mark first chronologically--rather, the test is which party first achieved secondary meaning in its mark.” *Id.* (citing J.T. McCarthy, *Trademarks and Unfair Competition*, § 16:12 (2d ed. 1984)). Where the moving party’s “evidence go[es] solely to priority in the classic sense (i.e., first to use chronologically), it is clear that genuine issues of

material fact remain as to priority of acquired distinctiveness” and summary judgment should be denied. *Id.* at *5.

Petitioner urges the Board to ignore the law and instead rely on dicta from the Federal Circuit and two non-precedential opinions that reference it. That dicta comes from the unpublished opinion in *Books on Tape, Inc. v. Booktape Corp.*, 836 F.2d 519, 5 USPQ2d 1301 (Fed. Cir. 1987), which Petitioner cites for the proposition that priority of use suffices where neither party can prove acquired distinctiveness in the contested mark. (36 TTABVUE 2-3.) As the Ruling recognized, *Towers* properly rejected *Books on Tape*’s musing as dicta. (33 TTABVUE 9 n. 11 (citing *Towers*, 16 USPQ2d at 1042.)

Nonetheless, Petitioner contends that *Books on Tape* should control here over *Towers*, offering another non-precedential opinion for support. (36 TTABVUE 2 (citing *Jeffrey Feulner, P.A. v. Cordell Practice Mgmt. Grp., LLC*, 2015 WL 7273030, at *1 (TTAB Oct. 26, 2015) (non-precedential).) In *Feulner*, the Board opined that “*Books on Tape* was not and could not have been overruled by the *Towers* panel because *Towers* was not an *en banc* decision” 2015 WL 7273030, at *5 n. 7. But the question of whether the *holding* in *Books on Tape* was overruled is irrelevant because the *dicta* that Petitioner seeks to apply here was never precedential in the first place.³ It is axiomatic that dicta cannot control over substantive rulings with precedential effect, such as *Towers*.⁴ Therefore, *Feulner* does not help Petitioner.⁵

³ Although the *Feulner* board stated that “the ultimate result in *Books on Tape* ... compels a similar result here,” that ultimate result is irrelevant to Petitioner’s Motion. *Books on Tape* held that the petitioner had standing to pursue its cancellation claim, not that the petitioner could avoid the requirement of proving acquired distinctiveness. 836 F.2d at 520-21. Here, Petitioner’s standing is undisputed.

⁴ See, e.g., *E.E.O.C. v. Luce, Forward, Hamilton & Scripps*, 303 F.3d 994, 1009 (9th Cir. 2002), *on reh’g en banc*, 345 F.3d 742 (9th Cir. 2003) (“Needless to say, such dicta cannot overrule-not even explicitly and much less “implicitly”-a holding ...”); *Co-Steel Raritan, Inc. v. Int’l Trade Comm’n*, 357 F.3d 1294, 1307 (Fed. Cir. 2004) (“Because statements made in dicta

The third and final case Petitioner cites in support of applying the *Books on Tape* dicta is yet another non-precedential opinion. (See 3 TTABVUE 3 (citing *Theatrical Stage Employees Union Local No. 2 of the Int'l Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the U.S. and Canada v. Eaves*, 2017 WL 665731, at *4 (TTAB Feb. 1, 2017) (non-precedential).) In *Theatrical Stage*, the Board ruled that a petitioner's priority of use could support cancellation of a mark where, *following a trial* on the issue of acquired distinctiveness, neither party could establish distinctiveness. 2017 WL 665731, at *5. The *Theatrical Stage* Board noted that if either party had demonstrated acquired distinctiveness at trial, "[it] would have considered the guidance of *Books on Tape* inapposite." *Id.* Here, the trial on the issue of acquired distinctiveness is pending, rendering the *Books on Tape* dicta inapposite even under Petitioner's cited authority.

This Board correctly determined that *Towers* and *Perma Ceram* control here, and Petitioner must establish priority of acquired distinctiveness to prevail on its cancellation claim. *See also Bass Pro Trademarks LLC v. Sportsman's Warehouse Inc.*, 89 USPQ2d 1844, 1854 (TTAB 2008) (precedential) (ruling petitioner failed to prove priority by failing to show mark acquired distinctiveness before respondent filed application and noting that "the issue of priority is based on the priority of the acquisition of acquired distinctiveness."); *Larami Corp. v. Talk to Me Programs Inc.*, 36 USPQ2d 1840, 1995 WL 743672, at *6 n. 9 (TTAB 1995) ("The Board has held that, where neither party's mark in an opposition proceeding is inherently distinctive,

do not implicate the substantive holding of the case, they 'cannot be considered binding authority.'") (quoting *Kastigar v. U.S.*, 406 U.S. 441, 454-55 (1972)).

⁵ *Feulner* is also materially distinguishable on its facts. There, the Board found the petitioner's mark "acquired distinctiveness as a source-indicator for Petitioner at least in Central Florida," and there was "no evidence ... that the term has a secondary meaning as identifying Respondent anywhere." 2015 WL 7273030, at *5. Here, Registrants consistently used the "German Creatine" mark to indicate source, and the issue of acquired distinctiveness is genuinely disputed. *See* 27 TTABVUE ¶ 7; 33 TTABVUE 10.

priority lies with the party whose mark is the first to become distinctive through use in commerce.”). Petitioner’s argument that priority of use can substitute for acquired distinctiveness is contrary to applicable law and should be rejected (again).

C. The Motion Should Be Denied Because Petitioner Improperly Attempts to Reargue the Same Points Raised in its Summary Judgment Motion.

Plaintiff’s Motion is not just premature and wrong on the law, it also violates the Board’s rules of procedure because it argues nothing new. Motions for reconsideration are premised on the idea that the Board erred in reaching the order it issued based on the facts before it and the applicable law. *See* TBMP § 543 (3d ed., rev. 2012). “Such a motion may not properly be used to introduce additional evidence, *nor should it be devoted simply to a reargument of the points presented in a brief on the original motion.*” *Id.* (emphasis added).

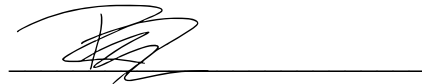
Here, Petitioner’s Motion reargues the same point from its summary judgment motion that the Board properly rejected, citing the same authorities.⁶ The Board should deny the Motion for this reason alone. *See Hollywood Vodka LLC*, 2017 WL 6384044, at *1 (TTAB Dec. 12, 2017) (denying motion for reconsideration where request was “merely an attempt at rearguing points considered and decided in the Board’s prior order”); *Immunity, Inc.*, 2018 WL 4521271, at *2 (TTAB Sept. 20, 2018) (non-precedential) (denying reconsideration and noting that “Petitioner’s request for reconsideration is essentially a reargument of its summary judgment motion”); *In Re Crown Equip. Corp.*, 2012 WL 5493563, at *2 (TTAB Oct. 22, 2012) (non-precedential) (denying request for reconsideration where moving party “disagrees with the result reached . . . and otherwise presents reargument of points previously raised in support of the positions in its brief on appeal.”).

⁶ Compare 18 TTABVUE 11 (citing *Books on Tape*; *Feulner*; and *Theatrical Stage*), with 36 TTABVUE 2-3 (citing same).

III. CONCLUSION

Petitioner's Motion fails for three reasons. First, in framing the issue presented, Petitioner incorrectly assumes that Registrants could not have acquired distinctiveness in the mark, ignoring that the Board ordered a trial on the disputed distinctiveness issue. The Motion therefore puts the cart before the horse by asking the Board to "reconsider" a hypothetical scenario where neither party could establish acquired distinctiveness at trial. Second, the Motion asks the Board to apply dicta instead of the controlling law establishing that Petitioner must show priority of acquired distinctiveness and cannot rely solely on priority of use. Finally, Petitioner abuses the reconsideration process by merely rearguing an issue from its summary judgment motion, citing no new authorities. The Motion should be denied.

Respectfully Submitted,



Date: June 6, 2019

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CERTIFICATE OF ESTTA FILING

I, Robert Tauler, hereby certify that on June 6, 2019, this **REGISTRANTS' OPPOSITION TO PETITIONER'S MOTION FOR RECONSIDERATION OF THE BOARD'S SUMMARY JUDGMENT RULING** is being electronically filed with the U.S. Patent and Trademark Office Trademark Trial and Appeal Board, PO Box 1451, Alexandria, VA 22313, via ESTTA.

/Robert Tauler/
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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing **REGISTRANTS' OPPOSITION TO PETITIONER'S MOTION FOR RECONSIDERATION OF THE BOARD'S SUMMARY JUDGMENT RULING** has been served on Koppel Patrick Heybl & Philpott, counsel for Petitioner Fitness Labs Nutrition Corporation, by email on June 6, 2019, to:

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