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

Proceeding	92070954
Party	Defendant Bytedance Ltd.
Correspondence Address	JACQUELINE M LESSER BAKER & HOSTETLER LLP 2929 ARCH STREET PHILADELPHIA, PA 19104-2891 UNITED STATES bhipdocket@bakerlaw.com, jlesser@bakerlaw.com, MWang@bakerlaw.com, ahsu@bakerlaw.com 215-568-3100
Submission	Other Motions/Papers
Filer's Name	Jacqueline M. Lesser
Filer's email	bhipdocket@bakerlaw.com, jlesser@bakerlaw.com, MWang@bakerlaw.com, ahsu@bakerlaw.com
Signature	/Jacqueline M. Lesser/
Date	11/04/2019
Attachments	Motion to Leave to Amend Answer and Counterclaim.pdf(293327 bytes ) Exhibit A.pdf(432297 bytes )

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

MUZEIT LIMITED,

Petitioner,

v.

BYTEDANCE LTD.

Registrant.

Cancellation. No. 92070954

**MOTION FOR LEAVE TO AMEND ANSWER AND COUNTERCLAIM**

Pursuant to Fed. R. Civ. P. 15(a); 37 C.F.R. § 2.107 and TBMP § 507, Bytedance, Ltd., (“Bytedance” or “Registrant”), requests that the Honorable Board grant leave to provide Bytedance the opportunity to amend its Answer to assert counterclaims. The proposed amended pleadings, with the new counterclaims highlighted, are attached as Exhibit A.

The parties are in discovery. The documents produced by Petitioner, Muzeit Limited (“Muzeit” or “Petitioner”) make clear that Muzeit has not made *bona fide* use of its mark in the U.S., even though it has made affirmative statements of use to secure U.S. registration. Accordingly, Bytedance seeks to amend its Answer to assert counterclaims against the two registrations that form the basis of Muzeit’s Petition for Cancellation.

Bytedance requests that its motion be granted. Leave to amend a party’s pleadings shall be freely given when justice so requires, unless entry of the proposed amended pleading would be prejudicial to the rights of the adverse party, would violate settled law, or would serve no useful purpose. See, Fed. R. Civ. P. 15(a)2; *see also, e.g. Embarcadero Technologies, Inc. v. Delphix Corp.*, 117 USPQ 2D 1518, 1523 (TTAB 2016), *Am. Express Mktg. & Dev. Corp. v. Gilad Dev. Corp.*, 94 USPQ 2d 1294, 1297 (TTAB 2010). Where, as here, the proceeding is still

in its pre-trial stage, leave to amend, if otherwise appropriate, will be given. *Prosper Business Development Corp. v. International Business Machines, Corp.*, 113 USPQ 2d 1148, 1152 (TTAB 2014). This is especially true where the request for leave is made during the discovery phase. *Karsten Manufacturing Corp., v. Editoy AG*, 79 USPQ 2d 1783, 1786 (TTAB 2006); *Microsoft Corp. v. Qantel Business Systems Inc.*, 16 USPQ 2d 1732, 1733-34 (TTAB 1990). Discovery confirms that Petitioner has not used its mark(s) on the goods in the registrations.

Amendments to counterclaims are proper. *See, e.g., Commodore Elecs. Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ 2d 1503, 1506-07 (TTAB 1993). Bytedance may in fact be required to amend its answer to assert counterclaims at this juncture insofar as the basis of counterclaims should be asserted promptly if discovered in the course of discovery. *See, e.g. Jive Software, Inc. v. Jive Commc'ns., Inc.* 125 USPQ 2d 1175, 1180 (TTAB 2017).

In sum, it is respectfully requested that Bytedance's motion for leave to amend be granted.

Dated: November 4, 2019

Respectfully submitted,

BAKER & HOSTETLER LLP

/Jacqueline M. Lesser/

Jacqueline M. Lesser

2929 Arch Street

Cira Centre, 12th Floor

Philadelphia, PA 19104-2891

[jlesser@bakerlaw.com](mailto:jlesser@bakerlaw.com)

Telephone: (215) 564-2155

Facsimile: (215) 568-3439

Aiqing (Miranda) Wang

999 Third Avenue, Suite 3600

Seattle, WA 98104

[mwang@bakerlaw.com](mailto:mwang@bakerlaw.com)

Telephone: (206) 903-2473

Facsimile: (206) 624-7317

*Attorneys for Registrant Bytedance, Ltd.*

**CERTIFICATE OF FILING AND OF SERVICE**

I, Jacqueline M. Lesser, hereby certify that a copy of the foregoing Answer to Petition for Cancellation has been filed electronically using ESTTA and served by electronic mail upon the attorney for Petitioner, Lynda Zadra-Symes [efiling@knobbe.com](mailto:efiling@knobbe.com), this 4<sup>th</sup> day of November 2019.

/Jacqueline M. Lesser/  
Jacqueline M. Lesser

# **EXHIBIT A**

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

MUZEIT LIMITED,

Petitioner,

v.

BYTEDANCE LTD.

Registrant.

Cancellation. No. 92070954

**AMENDED ANSWER AND COUNTERCLAIMS TO PETITION FOR  
CANCELLATION**

Bytedance, Ltd., a Cayman Islands limited corporation (“Bytedance” or “Registrant”), owner of Registration No. 5431563 (“the subject Registration”), as for its Answer states as follows:

1. Admitted.
2. Registrant lacks knowledge and information to admit or deny the allegations of Paragraph 2 of the Petition for Cancellation and therefore denies them.
3. Registrant lacks knowledge and information to admit or deny the allegations of Paragraph 3 of the Petition for Cancellation and therefore denies them.
4. Registrant lacks knowledge and information to admit or deny the allegations of Paragraph 4 of the Petition for Cancellation and therefore denies them.
5. Registrant lacks knowledge and information to admit or deny the allegations of Paragraph 5 of the Petition for Cancellation and therefore denies them.
6. Registrant lacks independent knowledge and information to admit or deny the allegations of Paragraph 6 of the Petition for Cancellation and therefore denies them.

7. Denied.
8. Registrant lacks knowledge and information to admit or deny the allegations of Paragraph 8 of the Petition for Cancellation and therefore denies them.
9. Registrant lacks knowledge and information to admit or deny the allegations of Paragraph 9 of the Petition for Cancellation and therefore denies them.
10. Registrant admits that May 31, 2017 is the date of its first use in commerce of the subject Registration. Except as admitted herein, Registrant lacks knowledge and information to admit or deny the remaining allegations of Paragraph 10 of the Petition for Cancellation and therefore denies them.
11. Registrant admits that the subject Registration gives it prima facie evidence of use and ownership of the mark, and nationwide rights. Except as so admitted, denied.
12. Denied.
13. Denied.
14. Denied.

### **AFFIRMATIVE DEFENSES**

1. Petitioner fails to state a claim upon which relief may be granted.
2. Petitioner's claims are barred by laches, estoppel and acquiescence.
3. Petitioner's claims are barred by the doctrine of unclean hands.

### **COUNTERCLAIMS**

#### **FACTS APPLICABLE TO ALL COUNTERCLAIMS**

1. Petitioner filed the application that issued to registration under Reg. No. 5187425 (the "425 Registration") based on a *bona fide* intent to use the mark on "Computer software for processing digital music files; computer software and hardware with multimedia and

interactive functions for playing audio and audiovisual files; computer software used to connect personal computers, mobile telephones, portable media players, and personal electronic devices with online music subscription providers; computer software for personal computers, mobile telephones, portable media players, and personal electronic devices for enabling users to download, discover, share and/or process music, audio, video, text and multimedia entertainment and downloadable software containing audio recordings and audio, video, text and multimedia entertainment items” in International Class 9 in U.S. commerce.

2. On or about January 11, 2017, Petitioner filed a Statement of Use on the application that would mature into the ‘425 Registration, alleging use of the subject mark on all of the goods contained in the application. An Office Action issued on the specimen of use submitted with that application on grounds that the specimen was merely advertising. On February 12, 2017, Petitioner submitted a substitute specimen of use, namely an advertising link claiming that the mark shown in the ‘425 Registration was in *bona fide* use in U.S. commerce, namely, on: “Computer software for processing digital music files; computer software and hardware with multimedia and interactive functions for playing audio and audiovisual files; computer software used to connect personal computers, mobile telephones, portable media players, and personal electronic devices with online music subscription providers; computer software for personal computers, mobile telephones, portable media players, and personal electronic devices for enabling users to download, discover, share and/or process music, audio, video, text and multimedia entertainment and downloadable software containing audio recordings and audio, video, text and multimedia entertainment items.”



3. At the time of the filing of the Statement of Use, Petitioner had not made *bona fide* use of the mark on the goods contained in the Statement of Use.
4. At the time that Petitioner filed its Statement of Use, for the application that matured into '425 Registration," Petitioner understood that it did not use the applied for mark on the goods that were covered by the application. Nonetheless, with knowledge, Petitioner instructed its counsel to execute its Statement of Use, falsely attesting to the use of the subject mark on all of the goods covered by the underlying application in U.S. commerce.
5. The declaration submitted in connection with the Statement of Use for the '425 Registration included a statement signed by Petitioner's "attorney for owner" Frank Terranella, that "The signatory being warned that willful false statements and the like are punishable by fine or imprisonment, or both, under 18 U.S.C. §1001, and that such willful false statements and the like may jeopardize the validity of the application or submission or any registration resulting therefrom, declares that all statements made of his/her own knowledge are true and that all statements made on information and belief are believed to be true."
6. The specimen of use submitted in support of registration is a mere advertisement and does not represent the mark as applied for and used in connection with the goods covered by the registration. Petitioner did not, and does not use the mark on the goods covered by the application, or registration.
7. On March 15, 2017, in reliance of the statements made by Petitioner, through its attorney, the USPTO accepted Petitioner's Statement of Use. Such acceptance resulted in issuance of the '425 Registration on April 18, 2017.

**FIRST COUNTERCLAIM**  
**CANCELATION OF REGISTRATION NO. 5187425 BASED ON FRAUD**

8. Bytedance repeats and realleges the allegations in paragraphs 1 through 7 of the Counterclaims as though fully set forth herein.
9. In its submission of the Statement of Use, Petitioner knowingly made false and material representations of fact that the subject mark was in *bona fide* use in commerce in the ordinary course of trade on the goods covered by the registration, when, in fact, no such use existed.
10. Petitioner intended to mislead the USPTO into approving the Statement of Use in order to secure registration, including the attendant benefits of registration.
11. The USPTO relied upon Petitioner's Statement of Use, which induced it to accept the statements made therein, thereby granting registration.
12. By its conduct, Petitioner has committed fraud upon the USPTO.

**SECOND COUNTERCLAIM**  
**CANCELATION OF REGISTRATION NO. 5187425**  
**BASED ON LACK OF BONA FIDE INTENT TO USE THE MARK**

13. Bytedance repeats and realleges the allegations in paragraphs 1 through 12 of the Counterclaims as though fully set forth herein.
14. Petitioner filed its intent to use application for the goods contained in the '425 Registration without any *bona fide* intent to use the mark in connection with the goods specified.
15. Subsequent to the filing of the application, Petitioner did not make *bona fide* use of the mark on the goods specified in the application, even though Petitioner sought and obtained registration.

16. Based on the foregoing, the underlying application for the ‘425 Registration is void and the registration should be cancelled.

**THIRD COUNTERCLAIM**  
**CANCELLATION OF REGISTRATION NO. 5251030**  
**BASED ON FRAUD**

17. Bytedance repeats and realleges the allegations in paragraphs 1 through 16 of the Counterclaims as though fully set forth herein.
18. Petitioner filed its application that issued to registration under Reg. No. 5251030 (the ‘030 Registration”) on January 4, 2017, based on use in U.S. commerce dating from “at least as early as 11/17/2015” for “Providing on-line chat rooms and electronic bulletin boards for transmission of messages among users in the field of music” in International Class 38; “Providing an Internet website portal in the field of music,” in International Class 41, and “Providing a website allowing users to upload and download music; Providing an interactive website featuring technology that allows users to share music” in International Class 42.
19. At the time Petitioner filed its application that matured into Reg. No. ‘030, it did not have bona fide use of the mark in U.S. commerce on the goods and services covered by the use based registration.
20. In its submission of the use based application, Petitioner knowingly made false and material representations of fact that the subject mark was in bona fide use in commerce in the ordinary course of trade on the goods and services covered by the registration, when, in fact, no such use existed at all, or only a non bona fide token use was made.
21. Petitioner intended to mislead the USPTO into approving the mark for registration in order to secure registration, including the attendant benefits of registration.

22. The USPTO relied upon Petitioner's Statement of Use, which induced it to accept the statements made therein, thereby granting registration.

23. By its conduct, Petitioner has committed fraud upon the USPTO.

**FOURTH COUNTERCLAIM**  
**CANCELLATION OF REGISTRATION NO. 5251030**  
**VOID AB INITIO**

24. Bytedance repeats and realleges the allegations in paragraphs 1 through 24 of the Counterclaims as though fully set forth herein.

25. Petitioner did not use the mark that is the subject of the '030 Registration at the time of filing its use based application.

26. Based on the foregoing, Petitioner's underlying application is *void ab initio*, and the registration should be cancelled.

**WHEREFORE**, Registrant requests that the Cancellation be dismissed, and the registration remain in full force and effect and that the Counterclaims be granted, and Petitioner's registrations be cancelled.

Dated: November 4, 2019

Respectfully submitted,

BAKER & HOSTETLER LLP

/Jacqueline M. Lesser/

Jacqueline M. Lesser

2929 Arch Street

Cira Centre, 12th Floor

Philadelphia, PA 19104-2891

[jlesser@bakerlaw.com](mailto:jlesser@bakerlaw.com)

Telephone: (215) 564-2155

Facsimile: (215) 568-3439

Aiqing Wang  
999 Third Avenue, Suite 3600  
Seattle, WA 98104  
mwang@bakerlaw.coom  
Telephone: (206) 903-2473  
Facsimile: (206) 624-7317

*Attorneys for Registrant Bytedance, Ltd.*

**CERTIFICATE OF FILING AND OF SERVICE**

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/Jacqueline M. Lesser/  
Jacqueline M. Lesser