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

Proceeding	92071607
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

<p>COUPANG CORP., Petitioner, v. ROCK-IT CARGO USA LLC, Registrant.</p>	<p>Cancellation No. 92071607 Registration No. 1587915 Mark: ROCK-IT CARGO Registration Date: March 20, 1990</p>
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PETITIONER’S MOTION TO STRIKE REGISTRANT’S AFFIRMATIVE DEFENSES

Coupang Corp. (“Petitioner”) moves to strike all of Rock-It Cargo USA LLC’s (“Registrant”) “affirmative defenses” and related arguments from its Answer on the ground that they are improper, insufficient, immaterial, and redundant under Fed. R. Civ. P. 12(f) and Section 506 of the Trademark Trial and Appeal Board Manual of Procedure.

I. RELEVANT FACTUAL BACKGROUND

On June 21, 2019, Petitioner filed its Petition for Partial Cancellation against Registration No. 1587915 for the mark ROCK-IT CARGO for the mark ROCK-IT CARGO covering “freight transportation services” in Class 39 (“Petition”). As grounds for its partial cancellation, Petitioner asserted a claim under Section 18, 15 U.S.C. § 1068 of partial cancellation by restriction (Petition ¶¶ 10–13) and an additional claim under 15 U.S.C. § 1127 of partial non-use and abandonment (Petition ¶¶ 14–18).

On September 16, 2019, Registrant filed a Response to Order to Show Cause and Answer to the Petition. Registrant’s Answer includes the following “affirmative defenses” (Answer, pp. 4-5):

- In Paragraph 1, Registrant alleges that Petitioner’s Claims for relief are barred in whole or in part by waiver, laches, acquiescence, estoppel, and unclean hands.

- In Paragraph 2, Registrant alleges that Petitioner fails to state a claim upon which relief may be granted.
- In Paragraph 3, Registrant alleges that Petitioner fails to state an adequate basis for some or all of its claims.
- In Paragraph 4, Registrant states that “Registrant has acted in good faith at all times.”
- Finally, in Paragraph 5, Registrant states that “Registrant reserves the right to assert all defenses disclosed or developed in the course of discovery or trial.”

II. ARGUMENT

Pursuant to Fed. R. Civ. P. 12(f), the Board may order stricken from a pleading any insufficient defense or redundant, immaterial, impertinent, or scandalous matter. *See also* TBMP § 506.01. The Board may grant a motion to strike or, on its own initiative, strike from a pleading any insufficient defense and any matter that clearly has no bearing on the issues in the case. *Ohio State University v. Ohio University*, 51 USPQ2d 1289, 1292 (TTAB 1999). An affirmative defense assumes the allegations in the complaint to be true but nevertheless constitutes a defense to those allegations. *Blackhorse v. Pro Football, Inc.*, 98 USPQ2d 1633, 1637 (TTAB 2011). Stated another way, “[a]n affirmative defense does not negate the elements of the cause of action; it is an explanation that bars the claim.” *Id.*

Motions to strike should be granted when doing so will “streamline the ultimate resolution of the action.” 5B Charles Alan Wright & Arthur Miller, *Federal Practice and Procedure* § 1380 (3d ed. 2004); *see also Heller Fin. Inc. v. Midwhey Powder Co.*, 883 F.2d 1286, 1294 (7th Cir. 1989) (“But where, as here, motions to strike remove unnecessary clutter from the case, they serve to expedite, not delay.”).

A. Registrant's First Affirmative Defense Should Be Stricken as Insufficient, Improper, and Immaterial.

Affirmative defenses, like claims in a petition for cancellation, must be supported by enough factual background and detail to fairly place the claimant on notice of the basis for the defenses. *See IdeasOne Inc. v. Nationwide Better Health Inc.*, 89 USPQ2d 1952, 1953 (TTAB 2009); *Ohio State Univ. v. Ohio Univ.*, 51 USPQ2d 1289, 1292 (TTAB 1999) (noting that the primary purpose of pleadings “is to give fair notice of the claims or defenses asserted”); *see also* TBMP § 311.02(b). Pleadings on information and belief require an allegation that the necessary information lies within defendant’s control, and such allegations must also be accompanied by a statement of the facts upon which the allegations are based. *See Asian and Western Classics B.V. v. Selkow*, 92 USPQ2d 1478 (TTAB 2009).

In this case, Registrant uses a boilerplate statement that “Petitioner’s Claims for relief are barred in whole or in part by waiver, laches, acquiescence, estoppel, and unclean hands” as its First Affirmative Defense accompanied by no statement of facts, which leaves Petitioner utterly without any notice. Moreover, Registrant’s Answer contains no factual allegations providing any information upon which Registrant relies or the belief upon which the First Affirmative Defense is founded (i.e., known information giving rise to Registrant’s stated belief, or any specificity from which either Petitioner or the Board may infer that Petitioner’s claims are somehow barred by waiver, laches, acquiescence, estoppel and/or unclean hands). Rather, Registrant’s First Affirmative Defense is a mere conclusory, boilerplate statement, without any consideration of the actual applicability of the facts in this case. As such, Registrant has failed to plead facts sufficient to meet the pleading standards under Rule 8(a)(2), and this defense should be stricken.

B. Registrant's Second Affirmative Defense Should Be Stricken as Improper, Insufficient, and Immaterial.

Registrant's Second Affirmative Defense, which alleges that Petitioner has failed to state a claim upon which relief may be granted, is insufficient and improper under Fed. R. Civ. P. 12(f) because it is not actually an affirmative defense. *See also Blackhorse*, 98 USPQ at 1637 (“Failure to state a claim upon which relief can be granted is not an affirmative defense.”). *Hornblower & Weeks Inc. v. Hornblower & Weeks Inc.*, 60 USPQ2d 1733 (TTAB 2001) (an affirmative defense “which asserts that the notice of opposition fails to state a claim upon which relief can be granted, is not a true affirmative defense and shall not be considered as such.”); *see also Blackhorse*, 98 USPQ at 1637 (“[f]ailure to state a claim upon which relief can be granted is not an affirmative defense.”).

Registrant's Second Affirmative Defense appears to be merely a denial of Petitioner's contention that it has, in fact, stated a claim against Registrant. Although denials can be pled as affirmative defenses where they amplify the pleadings, *ProMark Brands Inc. v. GFA Brands, Inc.*, 114 USPQ2d 1232, 1236 n.11 (TTAB 2015), Registrant's Second Affirmative Defense does not “amplify” the pleadings because it does not provide notice of any “fuller” factual explanation of its position. *See Ohio State Univ.*, 51 USPQ2d at 1292 (objectionable pleadings permitted only where they provide “fuller notice of the basis for a claim or defense.”) Registrant's second Affirmative Defense not only fails to provide Petitioner with any notice as to the reasons for which its claims are not well-pled, but even fails to identify any factual explanation of Registrant's position. As a result, both Petitioner and the Board can only speculate as to the predicates for Registrant's Second Affirmative Defense.

Even assuming this threadbare denial of Petitioner's entire pleading constitutes a procedurally proper “affirmative defense,” it remains substantively defective because Petitioner

has, in fact, properly stated a claim of partial cancellation by restriction under 15 U.S.C. § 1068 (Petition ¶¶ 10–13) and an additional claim of partial non-use and abandonment under 15 U.S.C. § 1127 (Petition ¶¶ 14–18). To state a proper claim, Petitioner need only allege such facts that would, if proven, establish that it: (1) has standing to challenge Registrant’s registered mark, and (2) a valid ground exists for partially cancelling the registration. *See Lipton Industries, Inc. v. Ralston Purina Co.*, 213 USPQ 185 (CCPA 1982); *American Vitamin Prods. Inc. v. Dow Brands Inc.*, 22 USPQ 1313, 1314 (TTAB 1992).

First, regarding standing, all that is required for a plaintiff to plead standing to file the complaint is that the plaintiff allege facts sufficient to show a “real interest” in the proceeding. *Empresa Cubana Del Tabaco v. Gen.. Cigar Co.*, 753 F.3d 1270 (Fed. Cir. 2014); *First Niagara Insurance Brokers Inc. v. First Niagara Financial Group Inc.*, 476 F.3d 867 (Fed. Cir. 2007); *See also Cunningham v. Laser Golf Corp.*, 222 F.3d 943 (Fed. Cir. 2000). Petitioner has clearly stated a “real interest” through its current ownership of valid, pending application for its mark ROCKET (Petition ¶¶ 1-4), that has been refused based on Registrant’s mark. *See Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 1377 (Fed. Cir. 2012) (affirming standing where Board found that “because opposer’s registrations are of record, opposer has established its standing”).

Second, valid grounds have been pled for partial cancellation. Under Section 18 of the Lanham Act, 15 U.S.C. § 1068, Petitioner is entitled to file a cancellation petition seeking to restrict the goods or services specified in its opponent’s registration as a means to avoid a likelihood of confusion. *See DAK Indus. Inc. v. Daiichi Kosho Co.*, 35 USPQ2d 1434, 1437 (TTAB 1995). A party seeking to avoid a likelihood of confusion by restricting the identification of goods or services in its opponent’s registration must do so through a properly filed

counterclaim or a separate cancellation petition. *Eurostar, Inc. v. "Euro-Star" Reitmoden GmbH & Co. KG*, 34 USPQ2d 1266, 1272 (TTAB 1994) (The Board will exercise its authority under Section 18 "only where the issue of possible restriction has been raised by the pleadings and/or is tried by the parties.")

Here, Petitioner has stated a legally sufficient claim of partial cancellation by restriction under 15 U.S.C. § 1068. In particular, Petitioner has pleaded that (1) the recitation of services in Registrant's Registration No. 1587915 is inaccurate and overly broad (Petition ¶ 11); and that the likelihood of confusion can be avoided by limiting Registrant's registered services as requested (Petition ¶¶12-13). Petitioner has also provided factual details regarding the parties' marks and services (Petition ¶¶ 1-9). As such, Petitioner has alleged facts sufficient to satisfy each of the required elements for a claim of partial cancellation by restriction under Section 18 of the Lanham Act.

Under 15 U.S.C. §1127, the Lanham Act defines abandonment as "[w]hen its use has been discontinued with intent not to resume such use. Intent not to resume may be inferred from the circumstances. Nonuse for three consecutive years shall be prima facie evidence of abandonment." The burden of proof initially rests with the petitioner and once a *prima facie* showing is made the burden of production shifts to the trademark owner. The owner must show that the mark was used during the three-year period or that they intended to resume use within the reasonably foreseeable future. *See Silverman v. CBS Inc.*, 870 F.2d 40, 9 USPQ2d 1778 (2d Cir. 1989).

Here, Petitioner has also stated a legally sufficient claim of partial non-use and abandonment. Specifically, Petitioner has stated that (1) Registrant does not use the ROCK-IT CARGO mark with "home delivery of goods purchased online" to the extent that its registration

is deemed to cover such service (Petition ¶ 15), (2) Registrant has no intention to resume or commence such use in connection with this service (Petition ¶16), and (3) Registrant has not commercially used the ROCK-IT CARGO mark in connection with home delivery of goods purchased online for at least three consecutive years (Petition ¶15). Petitioner has further provided factual details regarding the partial non-use and abandonment of Registrant's ROCK-IT CARGO mark (Petition ¶¶ 5-9). As such, Petitioner has alleged facts sufficient to satisfy each of the required elements for a claim of partial non-use and abandonment under 15 U.S.C. §1127.

Accordingly, Registrant's Second Affirmative Defense should be stricken as insufficient, improper, and immaterial. *See American Vitamin Products*, 22 USPQ2d at 1314 (striking affirmative defense of failure to state a claim where Petitioner established standing and a statutory ground for relief).

C. Registrant's Third Affirmative Defense Should Be Stricken as Redundant, Improper, Insufficient, and Immaterial.

The Board may strike affirmative defenses as redundant if they do nothing more than restate a denial in the answer and do not add anything to such denials. *Order of Sons of Italy in Am. v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1223 (TTAB 1995). Registrant's Third Affirmative Defense alleges that "Petitioner fails to state an adequate basis for some or all of its claims." (Answer, p. 4, ¶ 3). This affirmative defense does nothing more than restate Registrant's previous denial of Petitioner's claims in the Petition for Partial Cancellation.

And as discussed above, Petitioner possesses the requisite standing in this proceeding by virtue of its pleaded application for its ROCKET mark. Petitioner has also stated sufficient facts to establish two statutory grounds for relief. The mere fact that Petitioner has legally sufficiently pled its claims requires that Registrant's Third Affirmative Defense be stricken.

D. Registrant’s Fourth “Good Faith” Affirmative Defense Should be Stricken as Improper and Immaterial.

Registrant has asserted “good faith” as its Fourth Affirmative Defense (Answer, p. 4, ¶ 4). However, this “affirmative defense” is not a true affirmative defense and should be stricken as improper and immaterial.

First, “good faith” is not available as a defense to a partial cancellation by restriction under 15 U.S.C. § 1068 or a partial cancellation based on abandonment under 15 U.S.C. §1127. Neither of Petitioner’s claims requires an element of Registrant’s acting in bad faith during its adoption or use of the ROCK-IT CARGO mark. As such, Registrant’s assertion that it “has acted in good faith at all times” clearly has no bearing on the issues in the case.

To the extent that Registrant meant to rely on the "fair use" defense of Trademark Act §33(b)(4), 15 U.S.C. § 1115(b)(4), that is a defense available to a defendant in a federal action charged with infringement of a registered mark, and has no applicability in *inter partes* proceedings before the Board, which involve only the issue of registrability of a mark. *See* TBMP Section 311.02 (b).

Therefore, Registrant’s Fourth Affirmative Defense that Registrant has acted in good faith at all times should be stricken as improper and immaterial.

E. Registrant’s Fifth “Catch-All” Affirmative Defense Should Be Stricken as Improper, Insufficient, and Immaterial.

Finally, Registrant alleges that s “Registrant reserves the right to assert all defenses disclosed or developed in the course of discovery or trial.” (Answer, p. 4, ¶5.) This reservation of rights should be stricken as insufficient and immaterial as it does not constitute proper matter for a pleading. *See The Solomon-Page Grp. LLC & the Clinical Res. Network LLC*, Opp. No. 91195692, 2012 WL 1267963, at *5 (TTAB Mar. 12, 2012) (“A defendant cannot reserve

unidentified defenses since it does not provide a plaintiff fair notice of such defenses.”) *see also* TBMP § 311.02(c) (*citing H.D. Lee Co. v. Maidenform Inc.*, 87 USPQ2d 1715, 1720 (TTAB 2008)) (“the reason for requiring an affirmative defense to be pleaded is to give the plaintiff notice of the defense and an opportunity to respond.”)).

Except as provided in Fed. R. Civ. P. 12(b) and 12(h)(2) (which allow a defendant to raise certain specified defenses by motion), an unpleaded defense cannot be relied upon by the defendant unless the defendant’s pleading is amended (or deemed amended), pursuant to Fed. R. Civ. P. 15(a) or 15(b), to assert the matter. *See* TBMP § 314 (a defendant may not rely on an unpleaded defense and consequently the proper device for adding a later-discovered affirmative defense is by motion for leave to amend.).

Thus, Registrant’s fifth “Catch-All” Affirmative Defense must be stricken.

III. CONCLUSION

In the interest of efficiency, and for the reasons and authorities discussed above, Petitioner respectfully requests that the Board strike all of Registrant’s “Affirmative Defenses.”

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing PETITIONER'S MOTION TO STRIKE REGISTRANT'S AFFIRMATIVE DEFENSES was served via email on September 25, 2019, on counsel for Registrant at the following email addresses of record:

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