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

Proceeding	92073091
Party	Defendant SH Group Global IP Holdings, L.L.C.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE
TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Registration Nos. 4,837,287; 4,832,423; 4,837,289
Marks: 1 HOTEL & HOMES (Stylized); 1 HOTEL & HOME (Stylized);
1 HOTEL & HOMES SOUTH BEACH (Stylized)

2399 COLLINS AVENUE
CONDOMINIUM ASSOCIATION, INC.,

Petitioner,

v.

SH GROUP GLOBAL IP HOLDINGS,
L.L.C.,

Registrant.

Cancellation No. 92073091

ANSWER

Registrant SH Group Global IP Holdings, L.L.C. (“Registrant”) hereby submits its Answer in response to the Petition for Cancellation (“Petition”) filed by 2399 Collins Avenue Condominium Association, Inc. (“Petitioner”).

PETITIONER’S APPLICATION

1. Registrant denies knowledge or information sufficient to admit or deny the allegations contained in Paragraph 1 of the Petition.
2. Registrant denies knowledge or information sufficient to admit or deny the allegations contained in Paragraph 2 of the Petition, except admits that United States Patent and Trademark Office (“USPTO”) records show that U.S. Trademark Application Serial No. 88/457,662 for “Building management; [r]eal estate services, namely, condominium management services” in International Class 36 was filed on June 3, 2019 by 2399 Collins Avenue Condominium Association, Inc. (“Petitioner”).

3. Registrant denies knowledge or information sufficient to admit or deny the allegations contained in Paragraph 3 of the Petition, except admits that USPTO records show that on August 22, 2019, U.S. Trademark Application Serial No. 88,457,662 was issued a refusal by the USPTO, in part, pursuant to Section 2(d) based on a likelihood of confusion with U.S. Registration Nos. 4,837,287, 4,832,423, and 4,837,289, which are owned by Registrant.

THE SHG REGISTRATIONS

4. Registrant admits the allegations in Paragraph 4 of the Petition.
5. Registrant admits the allegations in Paragraph 5 of the Petition.
6. Registrant admits the allegations in Paragraph 6 of the Petition.
7. Registrant admits the allegations in Paragraph 7 of the Petition.
8. Registrant admits the allegations in Paragraph 8 of the Petition.
9. Registrant admits the allegations in Paragraph 9 of the Petition.
10. Registrant admits the allegations in Paragraph 10 of the Petition.
11. Registrant admits the allegations in Paragraph 11 of the Petition.

COUNT I

Registrant Committed Fraud During the Prosecution of the SHG Registrations

12. Registrant repeats and incorporates by reference its responses to Paragraphs 1 through 11 above, as if fully set forth herein.

13. Registrant states that the allegations contained in Paragraph 13 of the Petition are conclusions of law to which no responsive pleading is required.

14. Registrant states that the allegations contained in Paragraph 14 of the Petition are conclusions of law to which no responsive pleading is required.

15. Registrant states that the allegations contained in Paragraph 15 of the Petition are conclusions of law to which no responsive pleading is required.

16. Registrant states that the allegations contained in Paragraph 16 of the Petition are conclusions of law to which no responsive pleading is required.

17. Registrant states that the allegations contained in Paragraph 17 of the Petition are conclusions of law to which no responsive pleading is required.

18. Registrant states that the allegations contained in Paragraph 18 of the Petition are conclusions of law to which no responsive pleading is required.

19. Registrant states that the allegations contained in Paragraph 19 of the Petition are conclusions of law to which no responsive pleading is required.

20. Registrant states that the allegations contained in Paragraph 20 of the Petition are conclusions of law to which no responsive pleading is required.

21. Registrant states that the allegations contained in Paragraph 21 of the Petition are conclusions of law to which no responsive pleading is required.

22. Registrant states that the allegations contained in Paragraph 22 of the Petition are conclusions of law to which no responsive pleading is required.

23. Registrant states that the allegations contained in Paragraph 23 of the Petition are conclusions of law to which no responsive pleading is required.

24. Registrant states that the allegations contained in Paragraph 24 of the Petition are conclusions of law to which no responsive pleading is required.

COUNT II

The SHG Marks are Merely Descriptive & Laudatory

25. Registrant repeats and incorporates by reference its responses to Paragraphs 1 through 24 above, as if fully set forth herein.

26. Registrant states that the allegations contained in Paragraph 26 of the Petition are conclusions of law to which no responsive pleading is required.

27. Registrant states that the allegations contained in Paragraph 27 of the Petition are conclusions of law to which no responsive pleading is required.

28. Registrant states that the allegations contained in Paragraph 28 of the Petition are conclusions of law to which no responsive pleading is required.

29. Registrant states that the allegations contained in Paragraph 29 of the Petition are conclusions of law to which no responsive pleading is required.

30. Registrant states that the allegations contained in Paragraph 30 of the Petition are conclusions of law to which no responsive pleading is required.

31. Registrant states that the allegations contained in Paragraph 31 of the Petition are conclusions of law to which no responsive pleading is required.

32. Registrant states that the allegations contained in Paragraph 32 of the Petition are conclusions of law to which no responsive pleading is required.

33. Registrant states that the allegations contained in Paragraph 33 of the Petition are conclusions of law to which no responsive pleading is required.

34. Registrant states that the allegations contained in Paragraph 34 of the Petition are conclusions of law to which no responsive pleading is required.

35. Registrant states that the allegations contained in Paragraph 35 of the Petition are conclusions of law to which no responsive pleading is required.

COUNT III

Registrant Lacked *Bona Fide* Intent to Use SHG Marks When Filing Applications

36. Registrant repeats and incorporates by reference its responses to Paragraphs 1 through 35 above, as if fully set forth herein.

37. Registrant states that the allegations contained in Paragraph 37 of the Petition are conclusions of law to which no responsive pleading is required.

38. Registrant states that the allegations contained in Paragraph 38 of the Petition are conclusions of law to which no responsive pleading is required.

39. Registrant states that the allegations contained in Paragraph 39 of the Petition are conclusions of law to which no responsive pleading is required.

40. Registrant states that the allegations contained in Paragraph 40 of the Petition are conclusions of law to which no responsive pleading is required.

COUNT IV

Registrant Lacked *Bona Fide* Use of SHG Marks When Filing Statements of Use

41. Registrant repeats and incorporates by reference its responses to Paragraphs 1 through 40 above, as if fully set forth herein.

42. Registrant states that the allegations contained in Paragraph 42 of the Petition are conclusions of law to which no responsive pleading is required.

43. Registrant states that the allegations contained in Paragraph 43 of the Petition are conclusions of law to which no responsive pleading is required.

44. Registrant states that the allegations contained in Paragraph 44 of the Petition are conclusions of law to which no responsive pleading is required.

45. Registrant states that the allegations contained in Paragraph 45 of the Petition are conclusions of law to which no responsive pleading is required.

46. Registrant states that the allegations contained in Paragraph 46 of the Petition are conclusions of law to which no responsive pleading is required.

COUNT V

Abandonment

47. Registrant repeats and incorporates by reference its responses to Paragraphs 1 through 46 above, as if fully set forth herein.

48. Registrant states that the allegations contained in Paragraph 48 of the Petition are conclusions of law to which no responsive pleading is required.

49. Registrant states that the allegations contained in Paragraph 49 of the Petition are conclusions of law to which no responsive pleading is required.

50. Registrant states that the allegations contained in Paragraph 50 of the Petition are conclusions of law to which no responsive pleading is required.

51. Registrant states that the allegations contained in Paragraph 51 of the Petition are conclusions of law to which no responsive pleading is required.

52. Registrant states that the allegations contained in Paragraph 52 of the Petition are conclusions of law to which no responsive pleading is required.

53. Registrant states that the allegations contained in Paragraph 53 of the Petition are conclusions of law to which no responsive pleading is required, but to the extent any response is required, admits that the USPTO cited Registrant's Registrations Nos. 4,837,287; 4,832,423 and; 4,837,289 in the refusal of Petitioner's Application Serial No. 88/457,662, and denies the remaining allegations in Paragraph 53 of the Petition, including but not limited to that Petitioner owns any relevant trademark rights.

AFFIRMATIVE DEFENSES

Registrant asserts the following affirmative defenses to the Petition:

FIRST AFFIRMATIVE DEFENSE

Petitioner is not entitled to relief because Registrant owns prior trademark rights in its family of 1 HOTEL marks, including but not limited to its 1 HOTEL & HOMES mark (Registration No. 4,837,287), 1 HOTEL & HOME mark (Registration No. 4,832,423), and 1 HOTEL & HOMES SOUTH BEACH mark (Registration No. 4,837,289). On information and belief, any use by Petitioner of "1 HOMES" is after Registrant applied for and used, and thus established trademark rights to, its 1 HOTEL marks. Indeed, Petitioner is merely the Condo Association for Registrant's 1 HOTEL & HOMES SOUTH BEACH property, which, on information and belief, was formed after Registrant filed its applications and began using its 1 HOTEL marks. Accordingly, any trademark rights that Petitioner has in its alleged 1 HOMES mark are junior to the superior rights of Registrant and thus, Petitioner is not entitled to relief here.

SECOND AFFIRMATIVE DEFENSE

Petitioner is not entitled to relief, in whole or in part, pursuant to the doctrine of contractual estoppel. As noted above, Petitioner is the Condominium Association located at

Registrant's 1 HOTEL & HOMES SOUTH BEACH property, and the Condominium Association is comprised of the individual members who own units at that property. The publicly recorded Declaration of Condominium expressly states that "In no event shall the Condominium, the Condominium Association nor the Unit Owners have any right, title or interest in any name under which the Hotel is operated or any other aspect of the Hotel Brand Intellectual Property." The Hotel referenced in this agreement refers to Registrant, and the Hotel Brand includes Registrant's 1 HOTEL family of marks.

Moreover, prospective owners of condominium units at Registrant's 1 HOTEL & HOMES SOUTH BEACH property are required to sign multiple agreements with Registrant. For instance, the Buyer's Acknowledgement states that the buyers have no rights to Registrant's 1 HOTEL family of marks, and that "Buyer shall not interfere with or contest Licensor's [*i.e.*, Registrant's] rights in and to the Brand Trademarks." As another example, the Declaration of Covenants in the Mini-Master Covenants executed by condominium unit owners, and which is a contract binding such owners, states, in relevant part, that "No Element or Condominium Owner shall have the right, license or ability ... to use for any purpose ... any trade name, trademark, or service mark associated with the Hotel or the operator thereof." There are additional examples of such agreements signed by the condo owners which explicitly acknowledge that neither they, nor the Condo Association, have any rights to the 1 HOTEL marks and will not interfere with Registrant's rights in the 1 HOTEL marks.

Therefore, both Petitioner and its constituent members are contractually barred from interfering with the intellectual property rights of Registrant to its 1 HOTEL family of marks. This cancellation proceeding is precisely the type of interference that is contractually disallowed.

Thus, Petitioner is in breach of those contractual obligations and its claims are barred by the doctrine of contractual estoppel.

THIRD AFFIRMATIVE DEFENSE

Petitioner is not entitled to relief, in whole or in part, because Petitioner does not own valid trademark rights in its claimed 1 HOMES mark due to Petitioner's failure to use the mark in U.S. commerce. According to the Specimen filed with Petitioner's Application Serial No. 88/457,662 on June 3, 2019, Petitioner's only use of the 1 HOMES mark is within the Condominium Association's own internal website. Petitioner has provided no evidence that it is currently using, or plans to use, the 1 HOMES mark as a source identifier for any goods or services offered to third parties. Thus, Petitioner is not entitled to trademark protection for its alleged 1 HOMES mark, lacks standing in its Petition for Cancellation, and has committed fraud on the USPTO by filing a use-based application for a mark not used in U.S. commerce.

PRAYER FOR RELIEF

WHEREFORE, Registrant requests the following relief:

- a. That the Trademark Trial and Appeal Board dismiss the Petition for Cancellation with prejudice; and
- b. For any other relief the Board deems appropriate.

Dated: April 15, 2020

Respectfully submitted,
Kirkland & Ellis LLP

By: /s/ Claudia Ray

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Attorneys for Registrant

CERTIFICATE OF SERVICE

I hereby certify that on April 15, 2020, I caused a true and correct copy of the foregoing

ANSWER to be served via email upon the following individuals:

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Counsel for Petitioner

Dated: April 15, 2020

/s/ Claudia Ray

Claudia Ray