

ESTTA Tracking number: **ESTTA1141049**

Filing date: **06/17/2021**

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

Proceeding	92076894
Party	Defendant Red Bull GmbH
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Date	06/17/2021
Attachments	2021.06.17 Respondent's Reply ISO Motion to Dismiss_92076894.pdf(193675 bytes)

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

BISON PRODUCTS, LLC

Petitioner,

vs.

RED BULL GMBH,

Respondent.

Cancellation No. 92076894



Marks:

Registration No. 3197810

**RESPONDENT RED BULL GMBH'S REPLY IN SUPPORT OF ITS MOTION TO
DISMISS PETITIONER BISON PRODUCTS, LLC'S PETITION TO CANCEL**

Respondent Red Bull GmbH ("Respondent" or "Red Bull")¹ writes this reply in support of its request that the Board enter an order dismissing Petitioner Bison Products, LLC's ("Petitioner") Petition to Cancel Red Bull's Registration No. 3197810 (the "Registration") for the mark shown below ("RED BULL & Double Bull Design Mark"), Dkt. 1 (the "Petition"), for failure to state a claim upon which relief may be granted in accordance with Fed. R. Civ. P. 12(b)(6) and TBMP § 503.



¹ As in its opening brief, Red Bull and Red Bull Austria refer to the Respondent. Red Bull Germany refers to Red Bull's subsidiary and the original owner of the Application.

ARGUMENT

A. Petitioner’s Misrepresentation As to the Source Claim Is So Lacking In Substance and Legal Support That It Is Unrecognizable As A Claim of Relief in the Petition.

In its response brief, Petitioner claims that Red Bull ignored, and therefore admitted, its allegation that Red Bull misrepresents the source of its products.² While Section 14(3) permits cancellation of a registration after its fifth anniversary if the registered mark is being used to misrepresent the source of goods, no such claim is recognizable in the Petition. Petitioner made one passing reference using the words “misrepresentation as to source” but it did so under a section header “Respondent’s Subject Registration,” which was devoted entirely to Petitioner’s allegations that Red Bull Germany continued to operate as a business after it assigned the Application to Red Bull Austria and in stark contrast to the specifically enumerated causes of action for Illegal Assignment, Non-use and Abandonment Based on Illegal Assignment, and Fraud on the USPTO Based on Illegal Assignment. Any failure to recognize this “passing off” claim as a basis on which Petitioner seeks to cancel the registration is due solely to Petitioner’s failure to allege *any* facts that would give Red Bull notice that the claim was even asserted.

“A pleading of misrepresentation of source ‘must be supported by allegations of blatant misuse of the mark by respondent in a manner calculated to trade on the goodwill and reputation of petitioner.’” *Otto Int’l, Inc. v. Otto Kern GmbH*, 83 U.S.P.Q.2d 1861, 1863 (T.T.A.B. 2007) (quoting *McDonnell Douglas Corp. v. National Data Corp.*, 228 U.S.P.Q. 45, 47 (T.T.A.B. 1985) (emphasis added); *see also* McCarthy, J. Thomas, 3 McCarthy on Trademarks and Unfair Competition, §

²Red Bull did not waive or admit Petitioner’s misrepresentation claim; a motion to dismiss tolls the time for filing an answer. *See* T.B.M.P. 503.01 (“The filing of a motion to dismiss for failure to state a claim upon which relief can be granted tolls the time for filing an answer.”); 5B CHARLES ALAN WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE & PROCEDURE § 1346 (3d ed. 2004) (explaining that the filing of a motion to dismiss that addresses part of a complaint suspends the time to respond to the entire complaint).

20:60 (4th ed. 2007) (“A cancellation claim for misrepresentation under §14(3) requires a pleading that registrant deliberately sought to pass off its goods as those of petitioner.”). To properly allege misrepresentation of source, a party must do more than make a bald allegation in the language of the statute. Rather, it must “recite specific facts reflecting respondent’s activity that, if proved, would amount to an attempt to create the impression that the petitioner is the source of respondent’s services.” *Otto Int’l.*, 83 U.S.P.Q.2d at 1864. Petitioner failed to allege any facts that Red Bull blatantly misused its mark to deceive consumers into believing that Red Bull’s goods emanate from Petitioner. *Id.* (dismissing the misrepresentation of source claim because petitioner failed to allege specific acts or conduct by respondent aimed at deceiving the public into thinking that respondent’s goods actually emanate from petitioner).

As a threshold matter, Petitioner does not claim that Red Bull or any other entity blatantly misused the RED BULL & Double Bull Design Mark to pass off its goods as those of **Petitioner**. Indeed, Petitioner asserts that Red Bull Germany took actions that would lead U.S. consumers to believe that Red Bull Germany was the source of goods sold under the RED BULL & Double Bull Design Mark. *See* Dkt. 1 at ¶ 34. Petitioner did not and cannot allege that Red Bull or any other entity used the RED BULL & Double Bull Design Mark to create the impression that Petitioner is the source of Red Bull’s goods. Petitioner’s failure and inability to assert facts to support a finding that Red Bull used its Registration to pass off its products as those of Petitioner is fatal to its claim for misrepresentation under Section 14(3) of the Lanham Act.

A misrepresentation of source claim also requires allegations that the **Registrant** blatantly misuse its registered mark to misrepresent the source of its goods. Yet, Petitioner does not allege that Red Bull took any actions to misrepresent the source of its goods to consumers. Rather, the allegations Petitioner purports to rely on in support of this claim refer only to the actions of Red Bull Germany, not Red Bull, the registrant:

1. *Red Bull-Germany* continues to operate to this day as it did prior to and at the time of the Assignment Agreement ..., as shown below from *Red Bull Germany's website*... See Dkt. 1 at ¶ 25.
2. *Red Bull-Germany* continues to market and use the mark of the Subject Registration in the U.S. targeted to U.S. consumers via its website. . . *Id.* at ¶ 26.
3. The URL <http://redbull.de> automatically re-directs the U.S. consumer to *Red Bull-Germany's *.com URL* at <https://www.redbull.com/de-de/> . . . *Id.* at ¶ 33.
4. In light of visiting the URL at <https://www.redbull.com/de-de/>, the U.S. consumer would be led to believe that Respondent's subsidiary *Red Bull-Germany*, which continues to operate after recordation of the Assignment Agreement, is the source of the goods for the mark of the Subject Registration. *Id.* at ¶ 34.

None of these allegations refer to or imply any action taken by Red Bull, the registrant. Rather, the allegations are directed to what Red Bull Germany is doing on Red Bull Germany's website that may suggest to consumers that Red Bull Germany is the source of products sold under the RED BULL & Double Bull Design Mark.³ As Red Bull Germany is not the registrant, its alleged actions cannot support a claim for cancelling Red Bull's Registration.

As with its other claims, this claim is also defective, cannot be corrected, and must be dismissed.

B. Violating the Anti-Assignment Section of the Lanham Act Is Not a Ground on Which to Cancel a Registration After Its Fifth Anniversary.

Despite Petitioner's protests otherwise, Section 14(3) of the Lanham Act states the only grounds on which a registration more than five years old can be cancelled. *Void ab initio*, no matter the underlying basis, is not a ground for cancellation recognized by Section 14(3). Red Bull is not exploiting a loophole, as Petitioner characterizes it, but is relying on well-settled law. Even the Supreme Court acknowledged that the purpose of limiting claims to only those specifically outlined

³ On a Motion to Dismiss, Petitioner's factual allegations must be taken as true. Accordingly, Red Bull is not affirmatively disputing the factual allegations of the Petition for the limited purpose of this Motion to Dismiss.

in Section 14(3) of the Lanham Act is to “provide the registrant a quiet title in the ownership of his mark.” *Park ‘N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 198, 105 S. Ct. 658, 663, 83 L. Ed. 2d 582 (1985) (refusing to cancel registrant’s mark, which was the subject of a registration more than five years old and incontestable, based on an argument that it was merely descriptive and never should have been registered).

Faced with the plain language of the statute and well-settled law, Petitioner can muster nothing more than indignation to save its claim. It did not cite to a single case in which the anti-assignment statute was used to cancel a registration more than five years old. Instead, each of the cases cited by Petitioner involved a registration less than five years old, making Section 14(1) not Section 14(3) the applicable basis on which to cancel the registration.

Petitioner’s *void ab initio* claim is time-barred and should be dismissed.

C. Petitioner’s Claim As to the Anti-Assignment Provision Under Section 15 U.S.C. § 1060(a)(1) Fails As A Matter of Law.

Petitioner cannot refute the fact that applications filed under Section 44 are not subject to the anti-assignment provisions of 15 U.S.C. §1060(a)(1). Instead, it argues that simply listing Section 1(b) as one of the filing basis for the Application is enough to violate the anti-assignment statute. Petitioner cites no legal authority for its proposition, especially where—as here—the Application was perfected, published, and registered under Section 44 of the Lanham Act.

Red Bull never actually relied on Section 1(b) at any phase during the application process. Petitioner’s argument in its reply brief amplifies this point. Specifically, Petitioner states that “even under a Section 44(d) application, *[i]f* the applicant claims a §1(b) basis, the applicant must file an allegation of use.” *See* Dkt. at 8 (emphasis added). Red Bull never filed an allegation of use to obtain its registration, which would have been required if it relied on the Section 1(b) filing basis for its registration. Having assigned an application filed, published, perfected, and allowed under

Section 44, Red Bull did not violate the anti-assignment statute as a matter of law. This claim and every other claim in the Petition that relies on the theory that Red Bull violated the anti-assignment statute should, therefore, be dismissed.

D. Petitioner’s Abandonment and Fraud Claims Remain Fatally Flawed and Petitioner Arguments to the Contrary Fall Flat.⁴

Perhaps realizing that it did not state a claim for abandonment, Petitioner attempts to reframe its claim in its response brief. Petitioner, however, repeatedly states that Red Bull could not use the RED BULL & Double Bull Design Mark and the mark was not used “because the mark and the Subject Registration were void ab initio.” See Dkt. 1 ¶¶48-50 and 53-54. Petitioner explicitly links Red Bull’s alleged non-use of the mark to the validity of the Registration. As explained in Red Bull’s opening brief, however, use of a mark in commerce is not dependent on the validity of a registration.

Despite the language in the Petition, in its response brief, Petitioner advances a new theory of abandonment. It too falls short. Here, Petitioner argues that its abandonment claims are actually based on allegations that Red Bull Germany – not Red Bull – has been using the mark in commerce. However, the allegations Petitioner relies on in its response brief do not support its argument that Red Bull Germany, instead of Red Bull, is using the mark in commerce as that term is defined by the Lanham Act.

⁴ Petitioner’s fraud claim is rooted in its misapprehension of law surrounding the validity of the Assignment. Petitioner response brief is little more than a summary of its allegations in the Petition. Red Bull stands on the arguments asserted in its opening brief and will not repeat them here. Red Bull notes, however, that Petitioner incorrectly states that Red Bull is relying on its “incontestable” registration status to argue that Petitioner’s *void ab initio* claim is time-barred. While Red Bull’s registration is incontestable, it did not and does not need to rely on its incontestable status for Petitioner’s claim to be time-barred. It is well-settled that Section 14(3) of the Lanham Act is triggered when a registration reaches its fifth anniversary, not when the registration has been granted incontestable status.

Indeed, Petitioner’s allegations that Red Bull Germany is using the RED BULL & Double Bull Design Mark in the U.S. is based on mental gymnastics that defy logic. Specifically, Petitioner alleges that,

- A website URL with the German country code extension “de” is accessible to U.S. consumers if they type the URL www.redbull.com/de-de⁵;
- The website includes references to RED BULL, including a can of RED BULL energy drink;
- All the content on the website is in the German language; and
- One-million people in the U.S. speak German.

See Dkt. 1 ¶¶ 26 - 28. Based on these allegations, the Petitioner concludes somehow that Red Bull Germany is targeting U.S. consumers. Critically missing from the Petition is any allegation that Red Bull Germany sells or transports in U.S. commerce products bearing the RED BULL & Double Bull Design Mark. Thus, Petitioner does not assert that Red Bull Germany uses the mark in commerce at all, let alone, instead of Red Bull.

The centerpiece of Petitioner’s abandonment claim is its mistaken belief that the assignment of the Application rendered the Registration void and that Red Bull did not and could not use the mark in commerce *because* the mark and the Registration were void – not because Red Bull does not sell products in the U.S. under the mark at issue. As explained more fully in Red Bull’s opening brief, this theory of abandonment is both devoid of logic and legal support.

For the reasons set forth above and in its opening brief, Petitioner’s abandonment claim remains inept and it should be dismissed.

CONCLUSION

⁵ Notable, the RED BULL brand is promoted on websites in a number of countries where Red Bull products and services are sold, including the U.S. at www.redbull.com/us-en; Austria at www.redbull.com/at-de; and Russia at www.redbull.com/ru-ru. In the U.S., consumers typing in the top level domain www.redbull.com, are taken directly to www.redbull.com/us-en.

For the foregoing reasons and those set forth in Red Bull's moving papers, Red Bull respectfully requests that the Board grant Red Bull's Motion and dismiss with prejudice the Petition for Cancellation for failure to state a claim.

Respectfully submitted,

KILPATRICK TOWNSEND & STOCKTON LLP

Dated: June 17, 2021

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BISON PRODUCTS, LLC

Petitioner,

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CERTIFICATE OF SERVICE

This is to certify that the foregoing **RESPONDENT RED BULL GMBH'S REPLY IN SUPPORT OF ITS MOTION TO DISMISS PETITIONER BISON PRODUCTS, LLC'S PETITION TO CANCEL** was served on Applicant via email as follows:

Sam Sokhansanj
sam@attorneysam.com

Dated: June 17, 2021

/Kris Teilhaber/

Kilpatrick Townsend & Stockton LLP