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

Proceeding no.	92080555
Party	Plaintiff Stephen Perry
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE
TRADEMARK TRIAL AND APPEAL BOARD**

In re Trademark Registration Nos. 6634608, 6634598, 6634590, 6660943, 6660933, 6660892, 6660848, 6660842, 6660839, 6640775, 6640772, 6640763, 6640749, 6640741, 6640725, 6640713, 6640692, 6740487, 6732719, 6719831

Stephen Perry , an individual,)	
)	
Petitioners,)	
)	Cancellation No. 92080555
vs.)	
)	
Freedom JN LLC , a Delaware limited)	
liability company,)	
)	
Registrant.)	

MOTION TO STRIKE REGISTRANT’S FIRST TO FIFTH DEFENSES

Petitioner Stephen Perry, a/k/a Steve Perry (“Petitioner”), hereby moves to strike Registrant’s first through fifth Defenses as pled in Registrant’s Answer to the Petition for Cancellation (TTABVUE 5).

This motion is timely made within the time prescribed in Fed. R. Civ. P. 12(c). Insofar as the motion falls under Fed. R. Civ. P. 12(f), the Board has discretion to hear same at this time. And, to the extent the motion requires the Board to look beyond the pleadings, the motion may be considered a motion for partial summary judgment pursuant to Fed. R. Civ. P. 56(c).

Granting this motion will be helpful in narrowing, limiting, and clarifying issues in this proceeding, thereby also serving as a guide in conducting discovery. As stated in 2A Moore’s Federal Practice paragraph 12.21[3]:

Although courts are reluctant to grant motions to strike, where a defense is legally insufficient, the motion should be granted in

order to save the parties unnecessary expenditure in time and money in preparing for trial.

REGISTRANT'S FIRST TO FIFTH DEFENSES SHOULD BE STRICKEN

Registrant's first to fifth Defenses state:

1. Petitioner has failed to state a claim upon which relief may be granted.
2. Any claims alleged by Petitioner in the Notice of Cancellation are barred by the equitable doctrines of laches, estoppel, acquiescence, waiver, and unclean hands.
3. Any claims alleged by Petitioner in the Notice of Cancellation are barred by his contractual obligations, including because through such contracts, Petitioner receives benefits flowing from the challenged registrations.
4. This Cancellation Proceeding will likely be subject to stay pursuant to forthcoming litigation associated with Petitioner's breached contractual obligations.
5. Registrant reserves all affirmative defenses under Rule 8(c) of the Federal Rules of Civil Procedure, the Lanham Act, the TBMP, and any other defenses at law or in equity that may now exist or in the future be available based on discovery and further factual investigation in this case.

(TTABVUE 5, Page 5)

As is clear on its face, Registrant has propounded the mere allegation of these defenses and does not include any detail that would give Petitioner fair notice of the basis therefore. See TBMP § 311.02(b)(1) ("The elements of a defense should be stated simply, concisely, and directly. However, the pleading should include enough detail to give the plaintiff fair notice of the basis for the defense.").

I. Registrant's First Defense Should Be Stricken As Petitioner Established Entitlement To Relief In Its Petition for Cancellation.

Registrant's first Defense states: "Petitioner has failed to state a claim upon which relief may be granted." As is clear on its face, Registrant has propounded the mere allegation of this defense, and does not include any detail that would give Petitioner fair notice of the basis therefor. *Id.*

With respect to Registrant's first Defense, the Defense must be stricken as Petitioner has clearly established a claim for relief. At the pleading stage, Petitioner must allege facts in its Petition for Cancellation demonstrating its real interest in the proceeding. Those facts must thereafter be proved by Petitioner as part of its case. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999).

To plead a real interest, a plaintiff must allege a "direct and personal stake" in the outcome of the proceeding. *Id.* at 1026. The allegations in support of the plaintiff's belief of damage must have a reasonable basis "in fact." *Id.* at 1927 (citing *Universal Oil Products. v. Rexall Drug & Chemical Co.*, 463 F.2d 1122, 174 USPQ 458-459-60 (CCPA 1972) and stating that the belief of damage alleged by plaintiff must be more than a subjective belief).

Registrant's asserted defense therefore questions the sufficiency of Petitioner's pleading, similar to a motion to dismiss for failing to plead a cause of action under Rule 12(b). As such, Rule 12(b) permits an registrant to assert this defense and "it necessarily follows that a plaintiff may utilize this assertion to test the sufficiency of the defense in advance of trial by moving . . . to strike the 'defense' from the defendant's proposed answer." *Order of Sons of Italy in America v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, at 1222-1223 (TTAB 1995), citing *S.C. Johnson & Son Inc. v. GAF Corporation*, 177 USPQ 720 (TTAB 1973).

The following factors set forth in *Order of Sons of Italy* govern a motion to strike a defense of failure to state a claim upon which relief may be granted.

1. To withstand a motion to dismiss for failure to state a claim upon which relief can be granted, an opposer need only allege such facts as would, if proved, establish that (1) the opposer has standing to maintain the proceeding, and (2) a valid ground exists for opposing registration.
2. For purposes of determining a motion to dismiss for failure to state a claim upon which relief can be granted, all of an opposer's well-pleaded allegations must be accepted as true, and the Notice of Opposition must be construed in the light most favorable to the opposer.
3. Dismissal for insufficiency is appropriate only if it appears certain that the opposer is entitled to no relief under any set of facts which could be proved in support of its claim.

Id. at 1222-1223.

Petitioner, in its Petition for Cancellation, established the sufficiency of its pleading, and has alleged, *inter alia*, the following:

1. Petitioner has an ownership interest in 20 Song(s), which include by definition their corresponding titles. (TTABVUE 1, Petition for Cancellation ¶¶6-14)
2. The 20 Song(s)' titles each comprise the mark of one of the 20 Registrations that Petitioner is seeking to cancel. (*Id.* ¶¶4, 6)
3. Petitioner has an agreement with Neal Schon and Jonathan Cain, the owners of Registrant that, requires unanimous consent from Petitioner, Schon and Cain for use of the 20 Song(s) including in connection with any Product. (*Id.* ¶¶15-18)
4. Petitioner never transferred ownership of the 20 Song(s) to Registrant. (*Id.* ¶¶27)
5. Petitioner never gave consent to Registrant, Schon or Cain to use the 20 Song(s) as trademarks for any products. (*Id.* ¶28)
6. Registrant is not the owner of each of the Registered Marks for the goods covered by the subject Registrations. (*Id.* ¶34)
7. The 20 Song(s) are uniquely and unmistakably associated with and point to Petitioner. (*Id.* ¶44)

8. The subject Registered Marks are likely to falsely suggest a connection between Registrant and Petitioner. (*Id.* ¶45)
9. The registration of the subject Registered Marks to Registrant will cause continuing damage to Petitioner because the subject Registrations give Registrant prima facie evidence of its ownership of, and its exclusive nationwide right to use, each of the Registered Marks to the apparent exclusion of Petitioner and his rights in the Registered Marks and/or create a false suggestion of a connection with Registrant. (*Id.* ¶49)

The forgoing allegations are specifically set forth in Petitioner's pleading and, if proved, establishes Petitioner's entitlement to relief. Registrant's first affirmative defense is therefore insupportable as a matter of law, and thus should be stricken.

II. Registrant's Second Defense Should Be Stricken Because It Was Not Plead With Sufficient Particularity.

Registrant's second defense, which merely lists "the equitable doctrines of laches, estoppel, acquiescence, waiver, and unclean hands" should be stricken because registrant has not pled with sufficient particularity any factual background and detail to put Petitioner on notice of the basis for such defense(s). Affirmative defenses, like claims in a notice of opposition or 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)(1) and the cases cited in FN 15 therein. Here, Registrant's defenses of laches, estoppel, acquiescence, waiver and/or unclean hands are bald, conclusory allegations that are not supported by any facts and should be stricken accordingly.

To succeed in a laches, or estoppel defense, the party alleging the same has the burden of establishing both unreasonable delay and material prejudice from the delay. *See Ralston Purina Co. v. Midwest Cordage Co., Inc.*, 153 USPQ 73, 75-76 (CCPA 1967).

With respect to the defenses, Registrant failed to provide any factual basis to assert the equitable defenses of estoppel, laches, acquiescence, waiver or unclean hands. For example, *see Plus Products v. Medical Modalities Associates, Inc.*, 211 USPQ 1199, 1205 (TTAB 1981):

“The elements necessary to establish the equitable defense of laches normally involve knowledge, actual or constructive, of the subsequent party's use of the same or similar mark for like or related goods; an inordinate delay under the particular fact situation in taking some affirmative action to preclude such further use, and reliance on such inaction or silence by the junior user. The estoppel is based upon the ethical consideration of not allowing a party to preclude a course of conduct that he tolerated, where the result will be prejudicial to the person who relied on and acted on the belief that the activity was sanctioned by said party.” *Id.*

Registrant has not and cannot present any facts in support of such claims. In fact, Petitioner has taken affirmative action, beginning more than six months prior to having to resort to filing its Petition to Cancel, by contacting Registrant on numerous occasions objecting to the subject registrations and attempting to amicably resolve the issues resulting in the damage Petitioner has suffered and continues to suffer as a result of the subject registrations.

“Acquiescence is a type of estoppel that is based upon the plaintiff's conduct that expressly or by clear implication consents to, encourages, or furthers the activities of the defendant,” that is not objected to. *Nahshin v. Prod. Source Int'l LLC*, 107 USPQ2d 1257, 1263 (TTAB 2013) (emphasis added), (citing *Panda Travel, Inc. v. Resort Option Enters., Inc.*, 94 USPQ2d 1789, 1797 fn. 21 (TTAB 2009)); *Christian Broad. Network Inc. v. ABS-CBN Int'l*, 84 USPQ2d 1560, 1573 (TTAB 2007). Acquiescence requires three elements: (1) that petitioner

actively represented that it would not assert a right or a claim; (2) that the delay between the active representation and assertion of the right or claim was not excusable; and (3) that the delay caused registrant undue prejudice. *See Coach House Restaurant Inc. v. Coach and Six Restaurants, Inc.*, 934 F.2d 1551, 1564, 19 USPQ2d 1401, 1409 (11th Cir. 1991).

Moreover, to prevail on an affirmative defense of estoppel, Registrant must plead (and later prove) not only the laches elements, but also that Petitioner committed an affirmative act that induced Registrant and that Registrant relied on that act to its own detriment. *See MCV Inc. v. King-Seeley Thermos Co.*, 10 USPQ2d 1287, 1290 (Fed. Cir. 1989); *National Cable Television Ass'n Inc. v. American Cinema Editors Inc.*, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991). Registrant has not alleged any affirmative act by Petitioner on which Registrant relied to its disadvantage.

With respect to Registrant's unclean hands defense, Registrant also fails to include allegations that state or support such defense. There are no specific allegations of conduct by Petitioner that, if proved, would prevent Petitioner from prevailing on its claim. Instead, any allegations in the Answer that may be attributable to the unclean hands defense are either unclear, non-specific, irrelevant to a pleading of unclean hands, or merely conclusory in nature. *See Midwest Plastic Fabricators Inc. v. Underwriters Labs. Inc.*, 5 USPQ2d 1067, 1069 (TTAB 1987).

Registrant failed to plead essential elements of its defenses set forth in its second Defenses and failed to present facts sufficient to give Petitioner fair notice of the alleged basis for the defenses. Accordingly, the defenses of laches, estoppel, acquiescence, waiver and unclean hands are insupportable as a matter of law, and thus should be stricken.

III. Registrant's Third And Fourth Defense Should Be Stricken Because It Also Was Not Plead With Sufficient Particularity, Otherwise Does Not Form A Basis For A Defense And Is Impertinent And Immaterial To The Matter.

Registrant's third Defense, that Petitioner's claims are barred by his contractual obligations and his receipt of "benefits flowing from the challenged registrations," should be stricken because the Defense was not plead with sufficient particularity and because Registrant's allegations have no bearing on Registrant's rights to the subject registrations. Registrant fails to identify any particular contractual relationship with Registrant or any contractual obligations on Petitioner flowing to Registrant that would bar Petitioner's claimed relief because none exist. Instead, Registrant states a bald conclusion without supporting facts as the basis for this defense. Thus, Registrant fails to plead the defense with sufficient particularity to put Petitioner on notice of the alleged basis for this third defense.

Registrant's allegation that Petitioner receives some unspecified benefits as a result of the subject registrations fails to establish a basis for barring Petitioner's requested relief and is entirely irrelevant to Registrant's purported rights to the subject registrations. Registrant fails to specify what alleged benefits Petitioner receives and how those benefits bar the requested relief or, in the alternative, entitles Registrant to the subject registrations. Registrant's third defense does nothing more than confuse the issues and is immaterial and impertinent to the matter. Thus, Registrant's third Defense should be stricken.

IV. Registrant's Fourth Defense Should Be Stricken Because It Does Not Form A Basis For A Defense And Is Impertinent, Immaterial And Scandalous To The Matter.

Registrant's fourth Defense – that the proceedings "will likely be subject to stay pursuant to forthcoming litigation associated with Petitioner's breached contractual

obligations” – because the statement does not form a basis for a defense, is purely informational, and is impertinent, immaterial and scandalous to the matter. The Board has discretion to suspend proceedings pending the disposition of a civil action involving the parties to a proceeding before the Board if the civil action has a bearing on the Board case. See TBMP 510.02. Here, Registrant has provided no factual basis for why the threatened (yet unfiled as of this date) civil action would have any bearing on this case. The reality is that Petitioner has not breached any contractual obligations flowing to Registrant or its principals and certainly none that would have any bearing on this cancellation. Instead, the statement is baseless and intended to be inflammatory. Thus, the fourth defense is immaterial, impertinent and scandalous to this matter and should be stricken from the Registrant’s Answer.

V. Registrant’s Fifth Defense Should Be Stricken As Registrant Cannot Reserve Unidentified Defenses Since It Does Not Provide Petitioner With Fair Notice Of Such Defenses.

Registrant’s fifth Defense states:

Registrant reserves all affirmative defenses under Rule 8(c) of the Federal Rules of Civil Procedure, the Lanham Act, the TBMP, and any other defenses at law or in equity that may now exist or in the future be available based on discovery and further factual investigation in this case.

(TTABVUE 5, Page 5).

Registrant’s attempted reservation of a right to assert additional affirmative defenses is not an appropriate or acceptable defense. See *The Solomon-Page Grp. LLC & the Clinical Res. Network LLC*, No. 91195692, 2012 WL 1267963, at *5 (Mar. 12, 2012). The applicant in *The Solomon-Page Grp. LLC* also attempted to reserve a right to assert additional affirmative defenses. Following the opposer’s motion to strike this affirmative defense, the Board ruled:

We find that this is not an appropriate affirmative defense but merely an advisory statement that applicant reserves the “right” to amend its answer at some future date to add additional affirmative defenses after conducting discovery in this matter. A defendant cannot reserve unidentified defenses since it does not provide a plaintiff fair notice of such defenses. Whether or not applicant may, at some future point, add an affirmative defense would be resolved by way of a motion to amend for Board approval. Accordingly, this affirmative defense will be given no further consideration.

Id. at 5.

The same is true in the present matter. Registrant’s fifth defense is not an appropriate defense, but merely an advisory statement that Registrant reserves the alleged “right” to amend its answer at some date in the future to add additional affirmative defenses “based on discovery and further factual investigation in this case.” (TTABVUE 5, Page 5). As the Board ruled above, Registrant cannot reserve unidentified defenses, since it does not provide Petitioner with fair notice of such defenses. If Registrant wishes to add an affirmative defense at some point in the future, it must be done by way of a motion to amend its Answer and Defenses, and such motion would be subject to Board approval. *See* Fed. R. Civ. P. 15(a).

Registrant’s fifth defense is therefore insupportable as a matter of law, and thus should be stricken.

CONCLUSION

For the aforesaid reasons, Registrant’s first through fifth Defenses in its Answer should be stricken.

WHEREFORE, Petitioner prays its motion is granted in all respects.

Dated: November 15, 2022

Respectfully submitted,

KRANE & SMITH, APC

/ Matt Solmon /

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CERTIFICATE OF TRANSMITTAL

I hereby certify that on November 15, 2022, this Motion To Strike Registrant's First To Fifth Defenses is being electronically transmitted in PDF format to the Trademark Trial and Appeal Board through the Electronic System for Trademark Trials and Appeals (ESTTA).

*/Matt Solomon/*_____

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via e-mail upon the correspondent identified by the TTABVue, for Registrant, CHAD S. PEHRSON, cpehrson@kba.law and mbartholomew@kba.law, on this, the 15 day of November 2022.

*/Matt Solomon/*_____