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16 UNITED STATES DISTRICT COURT  
17 NORTHERN DISTRICT OF CALIFORNIA  
18 SAN FRANCISCO DIVISION

19 Gregory J. Wrenn,  
20  
21 Plaintiff,  
22  
23 v.  
24 Boy Scouts of America,  
25  
26 Defendant.

Case No.: C 03-04057 JSW

**PLAINTIFF'S MEMORANDUM IN  
OPPOSITION TO DEFENDANT'S  
MOTION FOR JUDGMENT ON THE  
PLEADINGS**

Assigned to The Honorable Jeffrey S. White

27 Boy Scouts of America  
28 Counter-Claimant,  
v.  
Gregory J. Wrenn,  
Counter-Defendant.

Date: June 20, 2008

Time: 9:00 a.m.

Place: Courtroom 2, 17<sup>th</sup> Floor

1 Plaintiff Gregory J. Wrenn (“Plaintiff” or “Wrenn”) hereby responds in opposition to  
2 Defendant’s Motion for Judgment on the Pleadings filed in this action on March 28, 2008.  
3 Defendant Boy Scouts of America (“Defendant” or “BSA”) seeks judgment on the  
4 pleadings in its favor alleging that the Complaint: (1) fails to allege a cognizable claim  
5 regarding the validity of the Defendant’s registered marks, and (2) fails to allege fraud with  
6 the requisite particularity. *See* Defendant’s Motion for Judgment on the Pleadings and  
7 Memorandum in Support at 1 (“Motion”). Plaintiff respectfully requests that the Court  
8 deny this Motion.

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**MEMORANDUM OF POINTS AND AUTHORITIES****I. INTRODUCTION AND SUMMARY OF ARGUMENT**

Defendant's motion for judgment on the pleadings should be denied because Plaintiff's complaint adequately pleads a cause of action for declaratory judgment that his use and registration of the term "YOUTHSCOUTS" does not infringe any of the BSA's registered marks. Defendant's motion ignores this request for declaratory relief, and attacks only Plaintiff's fraud cause of action while failing to address several other properly pleaded grounds upon which this Court can and must exercise the express power granted pursuant to the Lanham Act, 15 U.S.C. § 1119, to cancel or amend certain of Defendant's registered marks. Instead, Defendant spends most of its motion explaining why its composite marks are not made generic in their entirety by inclusion of a generic word, "scout," that forms a part of those marks—a cause of action not being pursued by Plaintiff. For these reasons alone, Defendant's request that the Court dismiss this matter "in its entirety" must be denied. The motion fails to address all well-pleaded claims.

This case, quite simply, concerns Plaintiff's attempt to found and run a non-discriminatory scouting organization that competes with the BSA, as he is legally entitled to do. In its motion, Defendant correctly quotes Plaintiff's contention, from the Complaint, that "[t]he core of this dispute is around the BSA's effort to claim rights in terms that are in fact generic and unprotectable . . . ." Motion at 4 (quoting Complaint at ¶ 27 (alteration omitted)). But the generic terms being referred to are not, as Defendant goes on to misstate, all of "the Boy Scout's Marks." *Id.* Rather, Plaintiff has alleged that Defendant has asserted rights to the generic terms "scouts" and "scouting" through its words and its actions and is seeking to wrongfully prevent Plaintiff from using those terms to describe his organization, its purpose and its activities.<sup>1</sup>

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<sup>1</sup> Plaintiff has also pleaded and, in proving his trademark misuse allegations, will present evidence showing that the BSA has systematically attempted to prevent other similarly situated scouting organizations from using the generic terms "scout" and "scouting" in order to stifle competition and maintain its monopoly power as the dominant scouting organization for boys in the United States. Defendant's motion ignores and does

1 Defendant's false claim to rights in generic terms mean that there is an actual case or  
2 controversy that is at issue. As the Complaint alleges, and Defendant BSA has not denied,  
3 the BSA claims that the "YOUTHSCOUTS" mark infringes the BSA's registered marks  
4 containing the term "SCOUT" or "SCOUTING."<sup>2</sup> Indeed, Defendant has explicitly  
5 asserted its belief that it has "rights to the terms 'SCOUTS' and 'SCOUTING' . . . ."  
6 Motion at 10.<sup>3</sup> Plaintiff thus has a reasonable fear that BSA can and will bring an  
7 infringement action against him alleging that he is infringing on any of the BSA's marks—  
8 notwithstanding the BSA's tactical decision, in the action pending at the Trademark Trial  
9 and Appeal Board (the "TTAB Action") and at this time, to allege infringement of only  
10 certain of its registered marks. BSA has already brought an action in the TTAB seeking to  
11 cancel Plaintiff's mark based on alleged infringement of some, but not all of its marks.  
12 Moreover, BSA has, multiple times, claimed exclusive rights to the term "SCOUTS,"<sup>4</sup>  
13 failed to disclaim the term "SCOUTS" as generic in some, but not all, of its trademark  
14 registrations, and threatened legal action against various other youth groups which  
15 incorporate the term "scouts" in their name. Indeed, BSA has brought a counterclaim  
16 against Wrenn seeking, among other things, an order summarily denying his registration for  
17 the "YOUTHSCOUTS" mark (Answer and Counterclaim at 23:21-22), an injunction and  
18

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19 not challenge these allegations except to argue that they are contingent on the allegations of  
20 fraud. Motion at 11, n.11. But the antitrust and monopolization allegations stand on their  
21 own and are an independent basis for cancellation or modification of Defendant's  
22 Registered Marks. See Section III.C, *infra*. Defendant's failure to challenge these  
23 allegations are another reason that the complaint cannot be dismissed "in its entirety."

24 <sup>2</sup> The terms "scout", "scouts" and "scouting" are capitalized when referring to all or  
25 part of a registered trademark and not capitalized when merely referring to the term itself.

26 <sup>3</sup> BSA supports its belief by relying on *In re Excelsior Shoe Co.*, 40 App. D.C. 480  
27 (D.C. Cir. 1913), and *Adolph Kastor & Bros. v. Federal Trade Commission*, 138 F.2d 824  
28 (2d Cir. 1943). See Motion at 10. These cases are inapposite because they were based on  
the likelihood of confusion as to the origin of products and they did not purport, nor could  
they, to give or uphold the BSA's rights in the terms "scouts" or "scouting". See, e.g.,  
*Kastor*, 138 F.2d at 825. As the D.C. Circuit noted, the term "scout" "is a word of common  
speech, which *all* are entitled prima facie to use . . . ." *Id.* (emphasis added).

<sup>4</sup> Notwithstanding the existence, and the BSA's admitted tolerance of, the wholly  
unaffiliated Girl Scouts of the United States ("Girl Scouts"), as discussed below.

1 damages against Wrenn for alleged infringement of the BSA’s marks, (Answer and  
2 Counterclaim at 16:18-17:38), and has, itself, alleged that “[t]here is an actual justiciable  
3 controversy between Counter-Defendant and Counter-Claimant arising under the trademark  
4 and unfair competition laws of the United States . . . and California Common law” (Answer  
5 and Counterclaim at 10:21-24). Although the genericness of the terms “SCOUT” and  
6 “SCOUTING” are not the ultimate issues in this case, the Court will be required to reach a  
7 determination on this issue in order to resolve the right to the requested relief—as well as  
8 Defendant’s right to the relief requested in the counterclaim. Plaintiff has thus pleaded all  
9 of the elements required pursuant to the Declaratory Judgment Act and the liberal notice  
10 pleading rules and is entitled to proceed in this action.

11 Additionally Plaintiff seeks, and has adequately pleaded, for an order that this Court  
12 exercise its power pursuant to the Lanham Act, 15 U.S.C. § 1119, to cancel certain of the  
13 BSA’s registrations, or, in the alternative, require amendments to those registrations  
14 disclaiming ownership of the terms “SCOUT” and “SCOUTING,” or otherwise rectify the  
15 Trademark Register. The basis for the requested relief is, among other reasons, that BSA  
16 committed fraud on the United States Patent and Trademark Office (“PTO”) for not  
17 disclaiming the term “SCOUT” as generic, and not disclosing to the PTO that BSA did not  
18 have exclusive use of the term because other groups, including, but not limited to, the Girl  
19 Scouts, had a right to use the term. Plaintiff has adequately alleged the elements of fraud on  
20 the PTO with sufficient supporting facts required by the Federal Rules of Civil Procedure.  
21 The Complaint alleges the false statements that were made by the BSA by pointing to  
22 particular statements that are false in particular trademark registrations filed by the BSA.  
23 The time, place, and nature of those statements are readily ascertainable by reference to the  
24 registrations. Moreover, the complaint alleges that BSA knew that the statements were  
25 false and alleges facts which, if proven, show that those false statements were intended to,  
26 and did induce the PTO to issue the particular registrations.<sup>5</sup>

27 \_\_\_\_\_  
28 <sup>5</sup> Through discovery, Plaintiff has also identified additional acts of Fraud on the PTO  
that post-date the filing of the Complaint. For example, the BSA filed affidavits with the

1           Additionally, Plaintiff seeks cancellation or amendment of the registrations based  
2 upon the doctrine of trademark misuse through antitrust violations. Such actions constitute  
3 a basis for cancellation of the delineated registrations, as requested by Plaintiff, and, if the  
4 allegations are proven, then the BSA should be barred from relying on those registrations in  
5 any action against Plaintiff. *See Int’l Olympic Comm. v. San Francisco Arts & Athletics*,  
6 789 F.2d 1319, 1322 n.1 (9th Cir. 1986) (“Subsequent [trademark] users may raise a series  
7 of defenses . . . such as fraud on the [PTO], . . . fair use, . . . or violation of the antitrust  
8 laws.” (citing 15 U.S.C. § 1115 (1982))).

9           Defendant bases its Motion on the Pleadings, in large part, on an incorrect  
10 characterization of the Complaint as seeking to invalidate BSA’s registrations based on the  
11 genericness of the terms “SCOUT” and “SCOUTING.” As noted above, Plaintiff seeks  
12 such a determination because it will be a necessary predicate to the analysis required to  
13 determine whether Plaintiff, and incidentally BSA as Counter-Plaintiff, is entitled to the  
14 requested relief. Despite BSA’s contention, the Complaint does not allege, and does not  
15 seek a declaration, that the inclusion of the generic term “SCOUT” or “SCOUTING” in the  
16 BSA’s various marks, by itself, makes those composite marks generic. Rather, Plaintiff  
17 seeks cancellation or amendment of the registrations based on fraud and the other legal  
18 bases that the Defendant has failed to address in its motion.

19           For these reasons, the Court should deny Defendant’s Motion for Judgment on the  
20 Pleadings.

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22  
23 PTO on February 24, 2004 for the mark “Scout Stuff” in International Class 16, Reg. No.  
24 2153107, and on April 1, 2004 for the mark “Scout Stuff” in International Class 21, Reg.  
25 No. 2197815 falsely representing to the PTO that there is no pending litigation concerning  
26 the registerability of the mark at issue despite the fact that these affidavits were signed and  
27 filed several months *after* the BSA was served with the Complaint in this action challenging  
28 those registrations. Plaintiff can amend his complaint to add these facts if the Court  
determines that the allegations, as pleaded, are insufficient.

1 **II. FACTS<sup>6</sup>**

2 **A. The Scouting Movement**

3 The salient facts of the history of the scouting movement are not in dispute.

4 The use of the terms “scout” and “scouting” for child education programs can be  
5 traced back to Robert S. S. Baden-Powell (“Baden-Powell”), a British military officer who,  
6 prior to 1907, wrote a manual describing a regimen for stalking and survival in the wild that  
7 he learned during military service in Africa. Complaint at ¶ 31. Upon returning from  
8 Africa, and discovering that boys were reading his manual, he rewrote the manual as a  
9 nonmilitary nature skill book and published it under the title *Scouting for Boys*. *Id.* at ¶ 34.  
10 The book rapidly gained a wide readership in England and soon became popular in the  
11 United States. *Id.* at ¶ 36.

12 Multiple different scouting troops began spontaneously springing up in the United  
13 States. *Id.* at ¶ 33. In 1910, after meeting with Baden-Powell, William D. Boyce  
14 incorporated the Boy Scouts of America (“BSA”). *Id.* at ¶ 37. Additionally, in or about  
15 1915, while still affiliated with the BSA, Boyce created an independent scouting  
16 organization called the Lone Scouts of America. *Id.* at ¶ 38. In 1912, Juliette Gordon Low,  
17 wholly independent of the BSA, organized the first Girl Scout troop, and, in 1915, several  
18 Girl Scout troops coalesced into a national organization and incorporated. *Id.* at 42, 43;  
19 Answer at ¶ 43. To this day, the Girl Scouts have at all times been and remain a wholly  
20 independent organization having no affiliation with the BSA. Additionally, other major  
21 independent scouting organizations existed in competition with the Defendant BSA in the  
22 early years of scouting in the United States; BSA was not the first user of the terms “scout”  
23

24 \_\_\_\_\_  
25 <sup>6</sup> For purposes of this opposition, Plaintiff takes facts as alleged in the Complaint and  
26 those in the Answer which he admits as true. On a motion for judgment on the pleadings,  
27 all of the allegations in the pleadings are taken as true and are construed in the light most  
28 favorable to the nonmoving party. *Living Designs, Inc. v. E.I. Dupont De Nemours & Co.*,  
431 F.3d 353, 360 (9th Cir. 2005) “[T]he allegations of the non-moving party must be  
accepted as true, while the allegations of the moving party which have been denied are  
assumed to be false.” *Hal Roach Studios, Inc. v. Richard Feiner & Co.*, 896 F.2d 1542,  
1550 (9th Cir. 1990).

1 and “scouting” in the United States in connection with youth programs, nor has it ever had  
2 substantially exclusive use of such terms at any time in history. Complaint at ¶¶ 29-30, 38-  
3 39, 41-46, Exh. F.

4 In 1916, the BSA was reincorporated under a federal charter by an Act of Congress  
5 in which certain rights were granted to the BSA with respect to “words and phrases” it used  
6 in relation to its program as of the effective date of the Act in 1916. Complaint at ¶ 40;  
7 Answer at ¶ 40. In 1950, the Girl Scouts of America was similarly reincorporated under a  
8 federal charter by Act of Congress and was also granted certain rights to “words and  
9 phrases” used in relation to its program, using language substantially similar to the rights  
10 granted to the BSA in 1916. Complaint at ¶ 44; Answer at ¶ 44. In 1998, Congress revised  
11 (without intending any substantive change in law) the separate statutes previously enacted  
12 with respect to the BSA and to the Girl Scouts of America and codified them under Title 36,  
13 United States Code at Sections 30901 *et seq.* (BSA) and Sections 80301 *et seq.* (Girl  
14 Scouts). Complaint at ¶ 45; Answer at ¶ 45.

#### 15 **B. The Origins Of Youthscouts**

16 Plaintiff and his daughter started Youthscouts as an unincorporated, non-profit  
17 scouting organization in 2002 after Plaintiff’s daughter was excluded from participating in  
18 her twin brother’s local Cub Scout troop. Complaint at ¶ 10; Answer at ¶ 16.<sup>7</sup> Youthscouts  
19 intends to be a scouting alternative to the BSA, open to all children, including those who are  
20 unable to join the BSA due to the BSA’s exclusionary membership requirements. As such,  
21 Youthscouts scouting mission is “to help youth achieve their potential through fun programs  
22 that promote self-esteem, learning, interpersonal skills, personal responsibility, social  
23 responsibility, health and fitness.” Complaint at ¶ 11. Youthscouts’ non-discrimination  
24 policy states: “The Youthscouts organization is committed to respecting and celebrating the  
25 rich diversity of the world’s youth and their families. Youthscouts will not discriminate  
26 based on race, color, national origin, gender, sexual orientation, beliefs regarding religion,  
27

28 <sup>7</sup> Plaintiff subsequently incorporated the National Council of Youthscouts, Inc., a California non-profit corporation.

1 disability, or political beliefs. Further, Youthscouts will not discriminate based on those  
2 factors or age, marital status or family status with respect to directors, officers, staff and  
3 adult volunteers.” *Id.* at ¶ 12.

4 On or about October 17, 2002, Plaintiff filed an application (the “Application”) to  
5 register “YOUTHSCOUTS” as a trademark with the PTO. *Id.* at ¶ 14. The PTO assigned  
6 serial number 78/175,271 to the Application and, after an examination of its records  
7 (including the Defendant’s registrations as well as others), the PTO approved the  
8 Application for registration on the Principal Register, and published it for opposition in the  
9 United States Official Gazette on July 1, 2003. *Id.* at ¶ 15; Answer at ¶ 19.

### 10 C. BSA Challenges The “YOUTHSCOUTS” Mark

11 On July 17, 2003 through a Notice of Opposition, the BSA filed an action (the  
12 “Opposition”) in the Trademark Trial and Appeal Board (“TTAB”) to block approval of the  
13 application for “YOUTHSCOUTS.”<sup>8</sup> Complaint at ¶ 16, Exh. A; Answer at ¶ 16. The  
14 allegations in the Opposition contained all the elements of trademark infringement, dilution,  
15 and unfair competition under state and federal law, and alleged the “likelihood of  
16 confusion” between the “YOUTHSCOUTS” mark and the BSA’s registered marks.  
17 Complaint at ¶¶ 16-17, Exh. A; Answer at ¶ 16. In its opposition, the BSA relied on some,  
18 but not all of its registered trademarks that are either composite terms containing the term  
19 “SCOUT” and its registration for the single term “SCOUTING.” Complaint at ¶¶ 17-18.<sup>9</sup>

20 Plaintiff then filed his answer and counterclaims in the TTAB on September 5, 2003.  
21 In his TTAB counterclaim, Plaintiff challenged the registration of four of the service marks  
22 relied on by BSA in opposing “YOUTHSCOUTS”, registrations for which BSA has failed  
23  
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25 <sup>8</sup> The record for the BSA’s Opposition action is available online from the PTO at  
26 <http://ttabvue.uspto.gov/ttabvue/v?pno=91157313&pty=OPP> .

27 <sup>9</sup> BSA’s opposition in the TTAB relied on the registrations: “CUB SCOUTS,”  
28 “VARSITY SCOUT,” “EAGLE SCOUT,” “BOY SCOUTS OF AMERICA,”  
SCOUTING,” and “SEA SCOUTS.” *See* ¶ 4 of the Opposition, attached as Exh. A to the  
Complaint.

1 to disclaim exclusive rights to use the term “SCOUT” apart from the composite mark.<sup>10</sup> *Id.*  
2 at ¶ 22. Plaintiff seeks to have the TTAB order the BSA to disclaim rights to the use of the  
3 terms “SCOUT” and “SCOUTING” in the same way that it has done for its mark  
4 “VARSITY SCOUT” (Reg. No. 1,370,697). That mark correctly contains a voluntary  
5 disclaimer made by the BSA which states: “No claim is made to the exclusive right to use  
6 ‘scout’ apart from the mark as shown.” *Id.* at ¶ 23.

7 Because the TTAB does not have jurisdiction to dispose of all claims that arise under  
8 the allegations made by the BSA, Plaintiff simultaneously filed the Complaint in this action  
9 to ensure that a final and conclusive determination would be made.<sup>11</sup> Plaintiff seeks  
10 Declaratory Judgment from this Court, based on the controversy stemming from the  
11 allegations that the BSA pleaded in the Opposition, that Plaintiff’s use of the  
12 “YOUTHSCOUTS” mark in competition with the BSA does not violate any of the alleged  
13 state or federal rights of the BSA cited in the Opposition, which includes the controversy  
14 over whether the terms “SCOUT” and “SCOUTING” are generic and unprotectable terms.  
15 *Id.* at ¶ 57. Further, Plaintiff requests that the Court act pursuant to the power granted under  
16 the Lanham Act, 15 U.S.C. § 1119, to cancel the BSA registrations asserted against  
17 Plaintiff, and other registrations, or alternatively to amend such registrations to disclaim any  
18 exclusive right to use the terms "SCOUTS" or "SCOUTING" apart from the marks as  
19 shown in the registration. *Id.*; *see also* ¶ 25, Exh. B for a list of the BSA’s Registrations  
20 being challenged in this Action (collectively referred to as the “Challenged

21 \_\_\_\_\_  
22 <sup>10</sup> The four registered marks being challenged on that basis in the TTAB and in this  
23 action are: Reg. Nos. 1,702,357 (“CUB SCOUTS”), 1,213,650 (“EAGLE SCOUT” and  
24 design), 1,363,872 (BOY SCOUTS OF AMERICA”), and 2,578122 (“SEA SCOUTS”).  
25 Complaint at ¶ 22.

26 <sup>11</sup> The TTAB’s jurisdiction is limited to questions pertaining to the status of  
27 trademark registrations and applications, and its decision is not binding on federal courts.  
28 Trademark Trial and Appeal Board Manual of Procedure, § 510.02(a); *see also Am. Bakeries Co. v. Pan-O-Gold Baking Co.*, 650 F. Supp. 563, 566-68 (D. Minn. 1986). Thus, even if Plaintiff won in the TTAB, the BSA could subsequently bring—on the very same allegations—claims for trademark infringement and dilution under stated and federal law. The filing of the Complaint in this action ensured that there would be adjudication of all related matters once and for all, rather than leaving Plaintiff subject to serial litigation.

1 Registrations”).<sup>12</sup>

2 Plaintiff has expressly pleaded that Defendant BSA has placed a cloud over  
 3 Plaintiff’s right to use his mark, a mark that was approved by the PTO. *See* Complaint at  
 4 ¶ 20. Plaintiff has expressly pleaded that this is part of an illegal effort by the BSA to  
 5 maintain a monopoly in the market for scouting programs in the United States. *Id.* at ¶ 54.  
 6 Plaintiff has also pleaded that the BSA has engaged in Fraud on the PTO as part of this  
 7 illegal scheme. *Id.* at ¶ 53. It is unreasonable and unduly burdensome to expect scouting  
 8 organizations to develop, manage and promote a scouting organization without using the  
 9 generic and unprotectable terms “SCOUTS” and “SCOUTING.” *Id.* at ¶ 28.

### 10 III. ARGUMENT

11 Plaintiff has properly pleaded the elements for the requested declaratory judgment  
 12 that “YOUTHSCOUTS” does not infringe on any of the BSA’s registered marks which  
 13 includes the allegations that “SCOUT” and “SCOUTING” are generic and unprotectable  
 14 terms. Complaint at ¶ 57(a) and 57(b); *see also* ¶¶ 51-56. Additionally, Plaintiff has  
 15 properly pleaded the proper elements for amendment or cancellation of the Challenged  
 16 Registrations. *Id.* at ¶ 57(c).

17 \_\_\_\_\_  
 18 <sup>12</sup> The TTAB issued a summary judgment ruling dismissing, *sua sponte*, Plaintiff’s  
 19 claims seeking cancellation or amendment of the BSA’s registered marks. *See* Exhibit B to  
 20 Defendant and Counter-Claimant Boy Scouts of America’s Request for Judicial Notice in  
 21 Support of Motion for Judgment on the Pleadings (hereinafter “Defendant’s RJN”). The  
 22 court dismissed the claims with regard to composite terms that were the subject of  
 23 incontestable registrations (three of the four marks being challenged) because it held that  
 24 Wrenn had not alleged that the marks, as a whole, were generic and the Trademark Act did  
 25 not allow a challenge based on genericness of a portion of a mark when the mark was older  
 26 than five years. *Id.* at 4-5. That ruling is not relevant to this action because Plaintiff does  
 27 not allege in this action, and the requested relief does not depend upon a finding that the  
 28 composite marks are generic. Additionally, the TTAB construed the request for amendment  
 as a request to “cancel those pleaded registrations in their entirety,” *id.* at 4-5, because it did  
 not find that it had statutory authority to impose a disclaimer except as a condition of  
 registration. That result is not the case for a district court, to which Congress has given  
 explicit authority to cancel or otherwise “rectify” the register. 15 U.S.C. § 1119; *see* section  
 III.C.1, *infra*. Significantly, the TTAB never decided, and stated that it would not decide at  
 that time, whether the terms “scout” and “scouting” are generic—a question not affected by  
 the ruling in the TTAB. Defendant’s RJN, Exh. B at 9.

1 As part of the cause of action for cancellation of Challenged Registrations, Plaintiff  
2 has averred sufficient facts to support his allegations of fraud, and antitrust violations that  
3 establish trademark misuse. The BSA's argument that the Complaint must be dismissed  
4 based upon the anti-dissection rule relies upon a mischaracterization of Plaintiff's causes of  
5 action. The motion must fail because this Court necessarily must decide whether the terms  
6 "SCOUT" and "SCOUTING" are generic—which the parties dispute—in order to decide on  
7 Plaintiff's causes of action, and incidentally on Defendant's counterclaims. The Court  
8 should, therefore, deny the motion for judgment on the pleadings in its entirety.

9 **A. Legal Standard**

10 A motion pursuant to Fed. R. Civ. P. 12(c) to dismiss for failure to state a claim is  
11 "functionally identical" to a motion pursuant to Fed. R. Civ. P. 12(b)(6). *Dworkin v.*  
12 *Hustler Magazine Inc.*, 867 F.2d 1188, 1192 (9th Cir. 1989). "It is well settled that the  
13 standard applied to Rule 12(c) motions is the same as that applied to Rule 12(b)(6)  
14 motions." *Liebb v. Daly*, 2008 WL 902110, at \*2 (N.D. Cal. Mar. 31, 2008) (citing *Hal*  
15 *Roach Studios*, 896 F.2d at 1550). To avoid dismissal, a complaint must provide "only a  
16 'short and plain statement of the claim showing that the pleader is entitled to relief.'"  
17 *Gilligan v. Jamco Dev. Corp.*, 108 F.3d 246, 248-49 (9th Cir. 1997) (quoting Fed. R. Civ. P.  
18 8(a)). The question is not whether the plaintiff will ultimately prevail, but whether the  
19 plaintiff is entitled to put forward evidence to support the claim. *Gilligan*, 108 F.3d at 249.  
20 Under this standard, a complaint should not be dismissed as long as it plausibly states an  
21 entitlement to relief and unless there is "no 'reasonably founded hope that the [discovery]  
22 process will reveal relevant evidence' to support [the claim]." *Bell Atl. Corp. v. Twombly*,  
23 \_\_ U.S. \_\_, 127 S. Ct. 1955, 1967 (2007) (quoting *Dura Pharm., Inc. v. Broudo*, 544 U.S.  
24 336, 347 (2005)). For this reason, "it is only the extraordinary case in which dismissal is  
25 proper." *United States v. City of Redwood City*, 640 F.2d 963, 966 (9th Cir. 1981) (citing  
26 *Corsican Prods. v. Pitchess*, 338 F.2d 441, 442 (9th Cir. 1964)).  
27  
28

1 It is well established that the federal pleading standard is “notice pleading.”<sup>13</sup>  
2 Federal Rule of Civil Procedure, Rule 8(a), states that “[a] pleading that states a claim for  
3 relief must contain . . . a short and plain statement of the claim showing that the pleader is  
4 entitled to relief.” The Supreme Court has explained that “the Rule mean[s] what it sa[ys]  
5 . . . .” *Leatherman v. Tarrant County Narcotics Intelligence and Coordination Unit*, 507  
6 U.S. 163, 168 (1993); *Lee v. City of Los Angeles*, 250 F.3d 668, 679 (9th Cir. 2001).  
7 “Pleadings need suffice only to put the opposing party on notice of the claim[s]. . . .  
8 Specific legal theories need not be pleaded so long as sufficient factual averments show that  
9 the claimant may be entitled to some relief.” *Austin v. Terhune*, 367 F.3d 1167, 1171 (9th  
10 Cir. 2004). The pleadings in this case satisfy federal pleading rules and are sufficient to put  
11 BSA on notice of the claims.

12 **B. The Complaint Properly Pleads For Relief Pursuant To The Declaratory**  
13 **Judgment Act.**

14 BSA seeks dismissal of the entirety of the Complaint, including Plaintiffs  
15 Declaratory Relief cause of action brought pursuant to 22 U.S.C. § 2201 seeking a  
16 declaration that his registered trademark, “YOUTHSCOUTS,” does not infringe on any of  
17 the marks registered by the BSA. The Ninth Circuit has explicitly approved of settling  
18 trademark disputes under the Declaratory Judgment Act in cases like this when “ ‘the  
19 plaintiff has a real and reasonable apprehension that he will be subject to liability.’ ”  
20 *Chesebrough-Pond’s, Inc. v. Faberge, Inc.*, 666 F.2d 393, 396 (9th Cir. 1982) (quoting  
21 *Societe de Conditionnement en Aluminium v. Hunter Eng’g Co.*, 655 F.2d 938, 944 (9th Cir.  
22 1981)).

23 Under the Declaratory Judgment Act, this Court may “declare the rights and other  
24 legal relations” or parties to “a case or actual controversy.” 28 U.S.C. § 2201. A two part  
25 test is used to determine whether a declaratory judgment is appropriate. *Principal Life Ins.*  
26 *Co. v. Robinson*, 394 F.3d 665, 669 (9th Cir. 2005). First, the court must determine if an

27 <sup>13</sup> As discussed, Section III.C.3, *infra*, there is a heightened pleading standard for  
28 claims of fraud pursuant to Fed. R. Civ. P. 9(b). The Complaint properly alleges fraud and  
factual support for that allegation.

1 actual case or controversy exists within the court’s jurisdiction. *Id.* Second, if so, the court  
2 must decide whether to exercise its jurisdiction. *Id.* Plaintiff has pleaded sufficient facts to  
3 demonstrate that an actual case or controversy exists in this case and Ninth Circuit  
4 precedent requires that the Court exercise its jurisdiction here. *Chesebrough-Pond’s* is on  
5 all fours with this case and requires that the Court deny Defendant’s Motion on the  
6 Pleadings to dismiss Plaintiff’s request for declaratory relief.

7 **1. The Complaint Pleads Sufficient Facts to Demonstrate That There**  
8 **is an Actual Case or Controversy.**

9 The Complaint alleges facts demonstrating, as required by the Declaratory Judgment  
10 Act, that Plaintiff has a real and reasonable apprehension that he will be subject to liability  
11 by use of his registered mark “YOUTHSCOUTS.” To determine if “the threats perceived  
12 by the plaintiff [are] real and reasonable,” the Court must “focus[] upon the position and  
13 perceptions of the plaintiff,” and likely impact of “[t]he acts of the defendant . . . in view of  
14 their likely impact on competition and the risks imposed upon the plaintiff.” *Chesebrough-*  
15 *Pond’s*, 666 F.2d at 396 (citation and internal quotation marks omitted). The showing  
16 “need not be substantial” if the plaintiff is continuing to use the allegedly infringing  
17 trademark. *Societe de Conditionnement en Aluminium*, 655 F.2d at 944.

18 The Complaint alleges that Plaintiff filed an application to register  
19 “YOUTHSCOUTS” as a trademark and the registration application was approved by the  
20 PTO. Complaint at ¶¶ 14-15. The Complaint further alleges that BSA opposed the  
21 application in the TTAB and that the allegations in its opposition include the elements of  
22 trademark infringement, dilution, and unfair competition claims under state and federal law.  
23 *Id.* at ¶¶ 16-17. The Complaint avers that BSA has relied on seven of its federal  
24 registrations to oppose the application, holding the rest of its registrations in reserve to  
25 “keep its powder dry” for a potential future action if its initial efforts fail. *Id.* at ¶¶ 18-21.  
26 Because all of the registrations upon which BSA relies, and most of its other registrations  
27 that have been held in reserve, have in common with “YOUTHSCOUTS” only the terms  
28 “SCOUT” or “SCOUTING,” the Complaint alleges that BSA is attempting to claim rights

1 in these generic terms (*Id.* at ¶ 27) and sets forth facts showing that “scout” and “scouting”  
2 are, indeed, generic and unprotectable as a matter of law. *Id.* at ¶¶ 29-50.

3 These facts and allegations, when viewed in the light most favorable to the Plaintiff,  
4 show that there is an actual case or controversy and that Plaintiff has a real and reasonable  
5 belief that he will be subject to litigation and that BSA will allege that “YOUTHSCOUTS”  
6 infringes any and all of its marks containing the terms “SCOUT” or “SCOUTING.” And,  
7 indeed, the BSA conceded that “there is an actual and justiciable controversy” between the  
8 parties and has brought a counterclaim “for trademark infringement and dilution of Boy  
9 Scouts federally registered trademarks . . . .” Counterclaim at ¶ 1.

10 The facts in *Chesebrough-Pond’s* are almost identical to this case and the Ninth  
11 Circuit’s reasoning in that case, as applied to the facts in this case, demonstrate that there is  
12 an actual case or controversy here. In *Chesebrough-Pond’s* the plaintiff, Chesebrough, filed  
13 an application to register its trademark, “Match” for a line of men’s toiletries and cosmetics.  
14 666 F.2d at 395. The defendant, Faberge, marketed similar products under the registered  
15 trademark “Macho.” *Id.* Faberge sent a cease and desist letter to Chesebrough demanding  
16 that the application be withdrawn because the two marks allegedly were “confusingly  
17 similar.” *Id.* When Chesebrough refused, Faberge filed an opposition proceeding in the  
18 PTO in which it alleged that the plaintiff’s mark “so resembles opposer’s mark . . . as to be  
19 likely . . . to cause confusion, mistake and deception.” *Id.* Chesebrough, in turn, filed an  
20 answer and a petition to cancel the defendant’s mark. *Id.* After the administrative action  
21 had been proceeding for three years, Chesebrough filed an action in the district court  
22 seeking a declaratory judgment that use of its mark would not infringe upon Faberge’s  
23 trademark. *Id.* Faberge, in turn, counterclaimed for infringement and unfair competition  
24 and an injunction to prevent Chesebrough from using its mark. *Id.* Faberge brought a  
25 summary judgment motion arguing that there was no justiciable controversy. *Id.* The  
26 district court held, and the Ninth Circuit agreed, that a substantial controversy existed  
27 between the parties such that an action under the Declaratory Judgment Act could proceed.  
28 *Id.* at 395, 397.

1 The Ninth Circuit explained it was “reasonable to infer from Faberge’s letter a threat  
2 of infringement action” because the letter said that Chesebrough’s mark was so similar to  
3 Faberge’s mark that it was “likely to cause confusion”—a standard that is relevant to both  
4 registration and infringement proceedings. *Id.* at 396-97. Similarly, BSA’s Notice of  
5 Opposition in the TTAB Action pleaded the elements of trademark infringement in an  
6 administrative action. *See* Complaint at ¶ 17 and Exh. A at 4, ¶ 12. Chesebrough’s  
7 inference was further bolstered by the fact that “Faberge did not act to dispel such an  
8 inference. It did not disclaim an intent to pursue an infringement action, but, in fact,  
9 responded to Chesebrough’s complaint with a counterclaim seeking damages for  
10 infringement.” *Chesebrough-Pond’s*, 666 F.2d at 397. BSA has done the same thing here,  
11 first not disclaiming an intent to pursue an infringement action, and additionally responding  
12 to the Complaint by actually filing a counterclaim seeking damages for infringement. The  
13 Ninth Circuit explained that “[t]he actual filing of a counterclaim for infringement bolsters  
14 Chesebrough’s claim that a real threat existed.” *Id.*

15 However, even for those marks which BSA does not, at this time, claim that  
16 “YOUTHSCOUTS” is infringing, there is still a live case and controversy. Because the  
17 commonality and root of the BSA’s opposition in the PTO and infringement counterclaim is  
18 that all of the allegedly infringed upon marks, like “YOUTHSCOUTS,” contain the generic  
19 term “SCOUT,” there is a live case and controversy with regard to all of the BSA marks  
20 containing the terms “SCOUT” and “SCOUTING.” In *Neilmed Products, Inc. v. Med-*  
21 *Systems, Inc.*, 472 F. Supp. 2d 1178, 1182 (N.D. Cal. 2007), the court held that there was a  
22 live case or controversy and that the plaintiff could bring a claim under Declaratory  
23 Judgment Act in a trademark action where the plaintiff brought the action after defendant  
24 challenged its mark in the PTO. In *Neilmed*, unlike *Chesebrough* and this case, the  
25 defendant did not even bring a counterclaim for infringement. *Id.* at 1181. Nevertheless,  
26 the court held that even though there was no infringement action pending, the plaintiff still  
27 had a reasonable apprehension that it could be subject to litigation, such that there was a  
28 “Damoclean threat” of litigation hanging over its head. *Id.* at 1181-82 (quoting *Societe de*

1 *Conditionnement en Aluminium*, 655 F.2d at 945). In *Neilmed* the plaintiff was continuing  
2 to use the mark and the defendant would not agree that there was no infringement and that it  
3 would not sue. *Id.* The court explained that “From the Plaintiff’s perspective, the risk of  
4 continuing to use its mark under these circumstances, for the years it may take to the PTO  
5 [sic] to address Plaintiff’s application is substantial. . . . [T]he fact that Plaintiff’s use of the  
6 allegedly infringing mark is ongoing actually makes the burden of showing apprehension  
7 lower.” *Id.* at 1181 (citing *Societe de Conditionnement en Aluminium*, 655 F.2d at 944).

8 The reasoning in *Neilmed* is directly applicable to this case and the outcome should  
9 be the same. Plaintiff uses, and plans to continue using its “YOUTHSCOUTS” mark. BSA  
10 has indicated, through words and actions, that it considers any other groups’ use of the  
11 words “SCOUT” or “SCOUTING” in its name to be infringement of its marks (except for  
12 use by the Girl Scouts). BSA should not be allowed to “keep its powder dry.” Complaint at  
13 ¶ 19. Plaintiff should not be forced to operate with the Damoclean threat of litigation  
14 hanging over his head. Plaintiff has properly pleaded that there is a live case or  
15 controversy.

## 16 2. This Court Should Exercise Jurisdiction in This Case.

17 Given the live case and controversy existing here, this Court should exercise  
18 jurisdiction over the declaratory judgment action. In *Brillhart v. Excess Insurance Co. of*  
19 *America*, 316 U.S. 491, 495 (1942), the Supreme Court set forth principles to guide courts  
20 in determining whether to exercise jurisdiction over declaratory relief actions; the Court  
21 should: avoid needless determination of States law issues; discourage litigants from filing  
22 declaratory actions as means of forum shopping; and avoid duplicative litigation. The Ninth  
23 Circuit has affirmed that “[t]he *Brillhart* factors remain the philosophic touchstone for the  
24 district court.” *Gov’t Employees Ins. Co. v. Dizol*, 133 F.3d 1220, 1225 (9th Cir. 1998). In  
25 addition to the *Brillhart* factors, the Ninth Circuit has suggested that district courts consider:

26 [W]hether the declaratory action will settle all aspects of the controversy;  
27 whether the declaratory action will serve a useful purpose in clarifying the  
28 legal relations at issue; whether the declaratory action is being sought merely  
for the purposes of procedural fencing or to obtain a ‘*res judicata*’ advantage;

1 or whether the use of a declaratory action will result in entanglement between  
2 the federal and state court systems.

3 *Dizol*, 133 F.3d at 1225.

4 The analyses in *Chesebrough* and *Neilmed* are directly on point. Like this case, in  
5 *Chesebrough* there was a parallel action in the PTO, but the Ninth Circuit, nevertheless,  
6 found that the court should exercise jurisdiction in the trademark declaratory action because  
7 “a decision of the Patent and Trademark Office allowing the registration of Chesebrough’s  
8 trademark would not preclude a subsequent infringement action or be determinative of the  
9 issues involved.” *Chesebrough*, 666 F.2d at 397. In *Neilmed* the court conducted a more  
10 thorough analysis and also determined that it should exercise jurisdiction. *Neilmed*, 472 F.  
11 Supp. 2d at 1182-83. The court said:

12 In the instant case, there are no state law issues, only federal trademark issues.  
13 There is no evidence of duplicative litigation, only this declaratory action and  
14 the pending opposition proceeding in the PTO. Despite Defendant’s  
15 argument to the contrary, the mere commencement of federal litigation does  
16 not constitute forum-shopping or procedural fencing, however expensive  
17 litigation might be. Moreover, this declaratory action would “settle all aspects  
18 of the controversy” and “serve a useful purpose in clarifying the legal  
19 relations at issue.” There is no need to wait perhaps years for the PTO to  
20 decide on the registration of Plaintiff’s ... mark in order to resolve the issue of  
21 whether Plaintiff’s mark infringes on Defendant’s ... mark. Defendant can  
22 bring an action for infringement regardless of the PTO’s determination.

23 *Id.* (citing *Goya Foods, Inc. v. Tropicana Prods., Inc.*, 846 F.2d 848, 853-54 (2d Cir. 1988)  
24 (outcome of PTO proceeding does not affect legal determination of infringement claim;  
25 district court must still independently decide validity and priority of marks and likelihood of  
26 consumer confusion)).

27 Plaintiff has alleged that BSA claims rights in the generic terms “SCOUTS” and  
28 “SCOUTING.” Complaint at ¶ 27. Defendant opposed the “YOUTHSCOUT” registration  
at the PTO and brought an infringement counterclaim based on seven of its registered marks  
that have only the terms “SCOUT” or “SCOUTING” in common with each other and with  
the “YOUTHSCOUTS” mark. Because BSA has many more marks containing the term  
“SCOUT,” it would thus have the ability to continue challenging Plaintiff’s right to register

1 and use the “YOUTHSCOUTS” mark regardless of the outcome of this litigation or the  
2 PTO action. This Court should therefore deny Defendant’s motion to dismiss and settle the  
3 live controversy regarding whether the “YOUTHSCOUTS” mark infringes any of the  
4 BSA’s registered marks containing the generic terms “SCOUT” or “SCOUTING.”

5 **C. The Complaint Properly Pleads For Cancellation Or Amendment Of**  
6 **Defendant’s Registered Marks.**

7 The Court has authority, pursuant to 15 U.S.C. § 1119 to order cancellation or  
8 amendment of the BSA’s registered marks based on a variety of acts committed by the  
9 registrant. BSA, in its motion,<sup>14</sup> Defendant further alleges that Plaintiff has not adequately  
10 supported his fraud claim with sufficient factual allegations. But Defendant ignores all  
11 other bases under which Plaintiff requests that this Court use the power granted by the  
12 Lanham Act, 15 U.S.C. § 1119, and, for this reason, Defendant’s request that the Court  
13 dismiss the Complaint “in its entirety” must fail. Plaintiff has properly pleaded a host of  
14 reasons why this Court can and should order the BSA’s marks to be cancelled or amended  
15 including trademark misuse and antitrust violations, and, moreover, has properly alleged  
16 facts sufficient to support a claim of fraud on the PTO. Defendant’s argument regarding the  
17 Plaintiff’s violation of the anti-dissection rule and his failure to allege that the BSA’s  
18 composite marks are generic is not applicable here. First, Plaintiff alleges that solo mark,  
19 “SCOUTING,” is generic based on the genericness of that term and the motion must,  
20 therefore, fail as to BSA’s request for dismissal of the claim against that mark. Second,  
21 Plaintiff argues that the Registered Marks that are composite should be amended or

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22 <sup>14</sup> Plaintiff challenges, and has standing to seek cancellation of registrations that the  
23 BSA cited in the TTAB Action and several Registrations containing the term “SCOUT” that  
24 are not cited by BSA in the TTAB Action. *See* Complaint at ¶¶ 24, 25, Exh. B. BSA  
25 argues that Plaintiff has no standing to challenge marks that it has not explicitly alleged that  
26 the “YOUTHSCOUTS” mark infringes. Motion at 8, n.8. All of these registrations are part  
27 of the live controversy between the parties regarding the Plaintiff’s use of his  
28 “YOUTHSCOUTS” registration and BSA’s belief, and consistent action on that belief, that  
it’s registrations containing the term Scout give it ownership over the terms “scout” and  
“scouting.” Plaintiff seeks cancellation or amendment of the Challenged Registrations  
based on properly pleaded allegations that “SCOUTING” is generic, and for fraud on the  
PTO and trademark misuse (unclean hands and antitrust violations). *Id.* at ¶¶ 51-56.

1 cancelled for other reasons, not based on the genericness of the marks as a whole.

2 **1. The Complaint Alleges Facts That Require The Court to Act**  
3 **Pursuant to 15 U.S.C. § 1119.**

4 The Complaint requests that the Court act to order amendment or cancellation of  
5 certain of Defendants marks. The Lanham Act, 15 U.S.C. § 1119, provides:

6 In any action involving a registered mark the court may determine the right to  
7 registration, order the cancellation of registrations, in whole or in part, restore  
8 canceled registrations, and otherwise rectify the register with respect to the  
9 registrations of any party to the action. Decrees and orders shall be certified  
by the court to the Director, who shall make appropriate entry upon the  
records of the Patent and Trademark Office, and shall be controlled thereby.

10 Plaintiff requests that the Court exercise its power to cancel, or alternatively to rectify, the  
11 registration of certain of the BSA's marks based on allegations of fraud on the PTO  
12 (Complaint at ¶ 53), and based on allegations of trademark misuse (Complaint at ¶ 54).

13 As discussed below, the allegations of fraud on the PTO, which Defendant  
14 challenges as insufficient, meet the heightened pleading standard required by the Federal  
15 Rules and should not be dismissed. The Complaint also should not be dismissed because  
16 Plaintiff has properly alleged that the BSA's mark "SCOUTING" is generic and  
17 unprotectable. Defendant has failed to challenge Plaintiff's allegations of that the BSA has  
18 used its marks to violate antitrust laws. *See* 15 U.S.C. § 1115(b)(7) ("incontestable"  
19 trademark registration is still subject to defense "[t]hat the mark has been or is being used to  
20 violate the antitrust laws of the United States"). Moreover, the Complaint requests that the  
21 Court order that certain of the BSA's registered marks be amended to disclaim the generic  
22 terms "SCOUT" or "SCOUTING" as part of its compound registrations.

23 As discussed above, the Court must first determine whether the terms "SCOUT" and  
24 "SCOUTING" are generic before deciding whether to proceed pursuant to 15 U.S.C. §  
25 1119. However, despite Defendant's argument, and except for the registered mark  
26 "SCOUTING," Plaintiff does not seek cancellation based on genericness of the composite  
27  
28

1 terms.<sup>15</sup>

2 Defendant's reliance on *Reno Air Racing Ass'n v. McCord*, 452 F.3d 1126, 1135  
 3 (9th Cir. 2006) is misplaced. Motion at 7-8. In *Reno Air* the defendant conceded that the  
 4 plaintiff had an exclusive right to use a registered mark for the picture at issue which  
 5 included a "pylon" logo. *Id.* at 1134-35. The defendant then sought a ruling that pylons in  
 6 general are generic and that he could use "some form of a pylon" with impunity. *Id.* Here,  
 7 by contrast, Plaintiff has not conceded that the BSA has exclusive rights to use the terms  
 8 "SCOUT" and "SCOUTING," and Plaintiff is seeking a declaratory ruling regarding, very  
 9 specifically, his "YOUTHSCOUTS" mark and whether it infringes on the BSA's registered  
 10 marks containing those terms. As noted, there is an actual and live controversy because  
 11 Plaintiff reasonably anticipates, based on the BSA's words and actions, that the BSA will  
 12 claim that "YOUTHSCOUTS" infringes any and all BSA marks containing the term  
 13 "SCOUT." Further, Plaintiff has the right, under the Lanham Act, to challenge those marks  
 14 at any time based on genericness or fraud, and prevent the BSA from using them to show  
 15 infringement. *See* 15 U.S.C. § 1064(a)(3).

16 **2. The Complaint Properly Pleads That the Mark "SCOUTING" Is**  
 17 **Generic and May Be Cancelled On That Basis**

18 Any mark, even an incontestable mark, may be cancelled if it is, or becomes generic.  
 19 15 U.S.C. 1064(a)(3). Defendant incorrectly argues that Plaintiff's challenge to its mark  
 20 "SCOUTING" must be dismissed because "SCOUTING" is not generic for magazines.  
 21 Motion at 9. However, if the title of a magazine is a generic word that describes the

22 <sup>15</sup> Defendants argument regarding Plaintiff's invocation of the First Amendment is  
 23 inapposite. *See* Motion at 7, n.7. Plaintiff does not argue that composite marks cannot be  
 24 valid simply because they contain a generic term. *Id.* Defendant has mischaracterized  
 25 Plaintiff's argument by turning it on its head. Plaintiff is arguing that Defendant is using its  
 26 composite registrations to prevent bona fide competitors from using the generic term  
 27 contained therein. It is this *trademark misuse* that Plaintiff claims is a violation of his, and  
 28 other competitors', First Amendment rights and which allows the Court to use its power  
 under the Lanham Act to order cancellation of the composite mark. *C.f. Phi Delta Theta*  
*Fraternity v. J.A. Buchroeder & Co.*, 251 F. Supp. 968, 977 (W.D. Mo. 1966) ("[M]isuse  
 and illegal use of a trademark in any form would be grounds for denial of the limited  
 protection that equity would otherwise afford to the trademark owner.").

1 contents of the magazine, such as a trade magazine, then the title would be generic for both  
2 the class of goods and a class of magazines devoted to displaying and discussing those  
3 goods. *CES Publ'g Corp. v. St. Regis Publ'ns, Inc.*, 531 F.2d 11, 13-14 (2d Cir. 1975)  
4 (holding that “Consumer Electronics,” as the name of a magazine in that industry is  
5 generic).

6 Defendant relies on *Entrepreneur Media, Inc. v. Smith*, 279 F.3d 1135, 1141 (9th Cir.  
7 2002), which held that “Entrepreneur” was not generic when it was part of a magazine title.  
8 Motion at 9. *CES Publishing* is on point and *Entrepreneur Media* is distinguishable  
9 because in the latter case the title of the magazine was descriptive rather than generic  
10 because “Entrepreneur” is not the generic name of an industry to which it devotes itself.<sup>16</sup>  
11 In *CES Publishing* the Second Circuit relied upon *Jenkins Publishing Co. v. Metalworking*  
12 *Publishing Co.*, 139 U.S.P.Q. 346 (T.T.A.B. 1963), in which the TTAB explained that the  
13 generic term “Metalworking” was “incapable of exclusive appropriation” for the title of a  
14 magazine when the magazine was “devoted exclusively to advertisements and articles on  
15 metalworking equipment and supplies.” 531 F.2d at 14 (internal quotation marks omitted).  
16 The Second Circuit recognized that the paradigm for which generic classification of a  
17 magazine title is, like “Consumer Electronics” or “Metalworking,” or like this case, where  
18 the magazine is simply the name of the trade. *Id.*

19 BSA argues that the mark is “used either descriptively or suggestively by the [BSA]  
20 for a magazine to invoke the [BSA]’s programs.” Motion at 9 (footnote omitted).  
21 However, the contents of the magazine are not in evidence on this motion and that issue  
22 cannot properly be decided on a motion to dismiss. Viewing the facts in the light most  
23 favorable to Plaintiff, this Court must deny Defendant’s motion to dismiss because the  
24 Complaint properly alleges that “SCOUTING” is generic and should be cancelled.

25 \_\_\_\_\_  
26 <sup>16</sup> Defendant references footnote four in *Entrepreneur Media* in which the Ninth  
27 Circuit listed cases that determined that other magazine titles were descriptive. Motion at 9  
28 (citing *Entrepreneur Media*, 279 F.3d at 1142 n.4). However, those cases were decided on  
the facts relating to the specific magazine title at issue and do not stand for a general  
proposition that magazine titles cannot be generic.

1                   **3. Fraud on the Trademark Office Has Been Properly Pleaded and**  
2                   **Cannot Be Resolved by Judgment on the Pleadings**

3                   The Complaint properly pleads fraud on the PTO under the heightened pleading  
4 standard of Fed. R. Civ. P. 9(b). Rule 9(b) requires that: “In alleging fraud or mistake, a  
5 party must state with particularity the circumstances constituting fraud or mistake. Malice,  
6 intent, knowledge, and other conditions of a person’s mind may be alleged generally.”

7                   Paragraph 53 of the Complaint fully meets the heightened pleading standards. The  
8 statements, the time, the place, and the nature of the statements are all readily identified by  
9 reference to the registrations at issue. The Complaint alleges that the BSA “knew” that the  
10 statements were false and alleges facts which, if proven true, would show that the false  
11 statements were made knowingly, and were intended to, and did, induce the PTO to issue  
12 the registrations at issue. *See Robi v. Five Platters, Inc.*, 918 F.2d 1439, 1444 (9th Cir.  
13 1990). “A party may seek cancellation of a registered trademark on the basis of fraud . . .  
14 by proving a false representation regarding a material fact, the registrant’s knowledge or  
15 belief that the representation is false, the intent to induce reliance upon the  
16 misrepresentation and reasonable reliance thereon, and damages proximately resulting from  
17 the reliance.” *Id.*

18                   Plaintiff has pleaded all of the elements listed in *Robi*. *See* Complaint at ¶ 53. BSA  
19 argues that Plaintiff has failed to “allege[] specific facts demonstrating that the Boy Scouts  
20 subjectively believed that the terms “SCOUTS” and “SCOUTING” were generic when it  
21 registered the Boy Scout’s Marks, as is required for a claim of fraud on the PTO. But  
22 knowledge, and other conditions of a person’s mind may be alleged generally” (Fed. R. Civ.  
23 P. 9(b)), and, additionally, the BSA’s subjective belief is a question of fact that is not  
24 suitable for disposition on a motion to dismiss on the pleadings. In any event, Plaintiff has  
25 pleaded facts showing that the terms are generic, and facts showing that BSA *knew* they  
26 were generic or otherwise unprotectable based, at a minimum, on its previous disclaimers  
27 and its knowledge of the existence of the Girl Scouts. Those factual allegations are  
28 sufficient for this stage of the proceedings. *See Robi*, 918 F.2d at 1444 (upholding fraud

1 claim based on fact that affidavit in support of trademark incontestability stated that there  
2 was no final decision adverse to Registrant's claim of ownership and given that affidavit  
3 was clearly false and Defendant knew it without examining Defendant's subjective intent to  
4 deceive). Defendant's argument regarding the PTO's knowledge, Motion at 10-11, does not  
5 entirely refute the reliance element of the fraud claim that was pleaded. In addition to fraud  
6 based on prior disclaimers and the registrations of the Girl Scouts, the cause of action also  
7 relies on the fact that, at least, the Girl Scout's have the same right as the BSA to use the  
8 terms based upon federal statute,<sup>17</sup> but the PTO cannot be charged with knowing the  
9 contents of those statutes and it was fraudulent for the BSA not to disclose that  
10 information.<sup>18</sup> In any event, such knowledge, and the PTO's reliance, is a matter of fact that  
11 cannot be decided on this motion. As discussed above, such fraud constitutes a basis for  
12 cancellation of the registrations.<sup>19</sup>

#### 13 IV. CONCLUSION

14 For the foregoing reasons, Plaintiff respectfully requests that the Defendant's Motion  
15 for Judgment on the Pleadings be denied.

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20 <sup>17</sup> Plaintiff disputes that the statute grants the rights to the terms that BSA claims.  
21 *See Kastor*, 138 F.2d at 826 (“[W]hether the statute meant to go so far as to protect [the  
22 term “SCOUT”] broken from its context might be open to debate.”). The point is that BSA  
23 cannot claim exclusive rights to terms since it is aware of, and concedes that, at least one  
24 other organization has the same rights to the terms. Thus it was fraudulent of the BSA to  
25 represent to the PTO that it had exclusive rights to the terms.

26 <sup>18</sup> The cases cited by Defendant merely charge the PTO with knowledge of the  
27 register and its procedures. *See Space Base Inc. v. Stadis Corp.*, 17 U.S.P.Q. (BNA) 1216,  
28 1218 (T.T.A.B. 1990); *SCOA Indus., Inc. v. Kennedy & Cohen, Inc.*, 188 U.S.P.Q. (BNA)  
411, 414 (T.T.A.B. 1975).

<sup>19</sup> As noted in footnote 4, *supra*,. Plaintiff has identified in discovery additional acts  
of fraud on the PTO that post-date the filing of the Complaint. To the extent that the Court  
determines that the allegations of fraud are insufficient, Plaintiff respectfully requests leave  
to amend the Complaint to add additional factual allegations.

1 DATED: April 25, 2008

Respectfully submitted,

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