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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

GIBSON BRANDS, INC., a	)	Case No. CV 14-00609 DDP (SSx)
Delaware corporation,	)	
	)	<b>ORDER GRANTING PLAINTIFF'S MOTION</b>
Plaintiff,	)	<b>TO STRIKE/DISMISS DEFENDANT'S</b>
	)	<b>AFFIRMATIVE DEFENSES AND</b>
v.	)	<b>COUNTERCLAIMS</b>
	)	
JOHN HORNBY SKEWES & CO.	)	[Dkt. No. 25]
LTD., AND DOES 1 THROUGH 10,	)	
	)	
Defendant.	)	
_____	)	
_____	)	

Presently before the court is Plaintiff Gibson Brands, Inc. ("Plaintiff")'s Motion to Strike/Dismiss Defendant's Affirmative Defenses and Counterclaims. (Dkt. No. 25.) The matter is fully briefed and suitable for decision without oral argument. Having considered the parties' submissions, the court adopts the following order.

**I. Background**

On January 27, 2014, Plaintiff filed its Complaint against Defendant John Hornby Skewes & Co. Ltd. ("Defendant"), alleging trademark infringement, trade dress infringement, trademark

1 counterfeiting, unfair competition, trademark dilution, and other  
2 related causes of action under federal, state, and common law.  
3 (Complaint ¶ 2.)

4 In its Complaint, Plaintiff asserts that it is the sole owner  
5 of six distinctive guitar body design trademarks: (1) "SG Body  
6 Shape Design," (2) "Explorer Body Shape Design," (3) "ES Body Shape  
7 Design," (4) "Flying V Body Shape Design," (5) "Flying V Peghead  
8 Design," and (6) "Kramer Peghead Design." (Id. ¶¶ 10-15.) It  
9 alleges that the first, second, fourth, and sixth trademarks are  
10 incontestable pursuant to Section 15 of the Lanham Act (15 U.S.C. §  
11 1065). (Id. ¶ 19.) Plaintiff additionally alleges that it has, for  
12 over fifty years, spent millions of dollars marketing and promoting  
13 its products which exclusively bear these trademarks. (Id.) As a  
14 result of the quality of Plaintiff's products and "the extensive  
15 sales, licensing and marketing, advertising and promotion of these  
16 products under the Gibson Trademarks," the products have become  
17 famous trademarks that "are widely and favorably known by consumers  
18 in the United States and elsewhere . . . ." (Id. ¶ 17.)

19 Plaintiff alleges that Defendant, a United Kingdom  
20 corporation, offers for sale, sells, and distributes in the United  
21 States "unauthorized products" using Plaintiff's six trademarks.  
22 (Id. ¶ 20.) Defendant allegedly sells the unauthorized products  
23 through its exclusive U.S. distributor LPD Music International  
24 Corporation and its related distributors and resellers. (Id.)  
25 Plaintiff further alleges that Defendant has made repeated use of  
26 the Gibson Trademarks by utilizing them in advertising and  
27 promotional materials for the unauthorized products "with the  
28 intent to mislead and confuse" consumers into believing that

1 Defendant's products are made directly by Plaintiff and "with the  
2 intent of misappropriating, for [Defendant's] own benefit, the  
3 tremendous goodwill built up by [Plaintiff]" in the six disputed  
4 trademarks. (Id. ¶ 21.) According to Plaintiff, Defendant's actions  
5 violate the Lanham Act, the California Business and Professions  
6 Code, and the common law. (Id. ¶¶ 34-66.)

7 On May 30, 2014, Defendant filed an Answer to Plaintiff's  
8 Complaint, asserting twenty-four affirmative defenses and six  
9 counterclaims. (Dkt. No. 19.) Plaintiff now moves to strike  
10 twenty-one of the affirmative defenses and dismiss all six of the  
11 counterclaims.

12 The court addresses whether the denoted affirmative defenses  
13 and counterclaims should be stricken in turn.

## 14 15 **II. Affirmative Defenses**

### 16 **A. Legal Standard**

17 Federal Rule of Civil Procedure 12(f) provides that a court  
18 "may order stricken from any pleading any insufficient defense or  
19 any redundant, immaterial, impertinent, or scandalous matter." Fed.  
20 R. Civ. P. 12(f). "To show that a defense is 'insufficient,' the  
21 moving party must demonstrate that there are no questions of fact,  
22 that any questions of law are clear and not in dispute, and that  
23 under no set of circumstances could the defense succeed." Cal.  
24 Dep't of Toxic Substances Control v. Alco Pac., Inc., 217 F. Supp.  
25 2d 1028, 1032 (C.D. Cal. 2002). To be immaterial or impertinent,  
26 the challenged material must have "no possible bearing on the  
27 controversy." Employers Ins. v. Musick, Peeler & Garrett, 871 F.  
28 Supp. 381, 391 (S.D. Cal. 1994).

1 In considering a motion to strike, the court views the  
2 pleadings in the light most favorable to the non-moving party. See  
3 In re 2TheMart.com Secs. Litig., 114 F. Supp. 2d 955, 965 (C.D.  
4 Cal. 2000)). Thus, in determining whether to grant a motion to  
5 strike a defense, "a district court . . . resolves any doubt as to  
6 the . . . sufficiency of a defense in defendant's favor." Mag  
7 Instrument, Inc. v. JS Products, Inc., 595 F. Supp. 2d 1102, 1106  
8 (C.D. Cal. 2008) (citing State of Cal. Dep't of Toxic Substances  
9 Control v. Alco Pac., Inc., 217 F. Supp. 2d 1028, 1033 (C.D. Cal.  
10 2002)). Grounds for a motion to strike must be readily apparent from  
11 the face of the pleadings or from materials that may be judicially  
12 noticed. Fantasy, Inc. v. Fogerty, 984 F.2d 1524, 1528 (9th Cir.  
13 1993) rev'd on other grounds, 510 U.S. 517 (1994).

14 While motions to strike are generally regarded with disfavor,  
15 "where [a] motion [to strike] may have the effect of making the  
16 trial of the action less complicated, or have the effect of  
17 otherwise streamlining the ultimate resolution of the action, the  
18 motion to strike will be well taken." California v. United States,  
19 512 F. Supp. 36, 38 (N.D. Cal. 1981). This is because the purpose  
20 of Rule 12(f) is "to avoid the expenditure of time and money that  
21 must arise from litigating spurious issues by disposing of those  
22 issues prior to trial . . . ." Whittlestone, Inc. v. Handi-Craft  
23 Co., 618 F.3d 970, 973 (9th Cir. 2010) (quoting Sidney-Vinsein v.  
24 A.H. Robins Co., 697 F.2d 880, 885 (9th Cir. 1983)). Thus, courts  
25 have found motions to strike to be proper even when their only  
26 purpose is to make the issues less complicated. See Ganley v. Cnty.  
27 of San Mateo, 2007 WL 902551, at \* 1 (N.D. Cal. Mar. 22, 2007).

28

1 **B. Discussion**

2 Plaintiff moves to strike as insufficient and/or immaterial  
3 Defendant's affirmative defenses 1-15, 17, and 19-23. In its  
4 Motion, Plaintiff separates these defenses into three general  
5 categories: (1) defenses that are not affirmative defenses; (2)  
6 defenses that are factually insufficient; and (3) defenses that are  
7 immaterial and/or redundant. The court addresses the defenses  
8 accordingly.

9 **1. Defenses that Are Not Affirmative Defenses**

10 Plaintiff moves to strike Defendant's affirmative defenses 1,  
11 5, 10, 11, 12, 14, 15, 17, 21, and 22 on the ground that they are  
12 not actually affirmative defenses under Federal Rule of Civil  
13 Procedure 8(c). "Affirmative defenses plead matters extraneous to  
14 the plaintiff's prima facie case, which deny plaintiff's right to  
15 recover, even if the allegations of the complaint are true." Fed.  
16 Deposit Ins. Corp. v. Main Hurdman, 655 F. Supp. 259, 262 (E.D.  
17 Cal. 1987). This court has held that "a defense is an affirmative  
18 defense if it will defeat the plaintiff's claim even where the  
19 plaintiff has stated a prima facie case for recovery under the  
20 applicable law." Quintana v. Baca, 233 F.R.D. 562, 564 (C.D. Cal.  
21 2005). "A defense which demonstrates that plaintiff has not met its  
22 burden of proof is not an affirmative defense." Zivkovic v. S. Cal.  
23 Edison Co., 302 F.3d 1080, 1088 (9th Cir. 2002).

24 **Affirmative Defense 1**

25 Plaintiff asks the court to strike Defendant's first  
26 affirmative, which alleges that Plaintiff's Complaint "fails to  
27 state a claim upon which relief can be granted." (Answer ¶ 67.)  
28 Plaintiff asserts that "[f]ailure to state a claim is not an

1 affirmative defense but rather a Federal Rule of Civil Procedure  
2 12(b)(6) attack claiming the Complaint fails to plead sufficient  
3 factual matter to state a claim to relief that is plausible.”  
4 (Motion at 7:5-9.)

5 The court agrees with Plaintiff that this defense is not an  
6 affirmative defense. A claim that “directly attacks the merits of  
7 the plaintiff’s claim” is not an affirmative defense subject to the  
8 requirements of Rule 8(c). Quintana, 233 F.R.D. at 564 (striking  
9 defendant’s affirmative defense that alleged plaintiff’s complaint  
10 failed to state a cause of action). Accordingly, the court strikes  
11 Defendant’s first affirmative defense. Because this affirmative  
12 defense is insufficient as a matter of law, Defendant will not be  
13 granted leave to amend.

14 **Affirmative Defenses 5, 10, 11, 12, 14, 15, 17, 21, 22**

15 Plaintiff additionally moves to strike affirmatives defenses  
16 five, ten, eleven, twelve, fourteen, fifteen, seventeen, twenty-one  
17 and twenty-two on the ground that they merely deny liability by  
18 attempting to negate an element of Plaintiff’s prima facie case.  
19 (Mot. at 6:10-21.)

20 Defendant’s fifth affirmative defense asserts that any  
21 infringement was “innocent.” (Ans. ¶ 71.) Defendant’s tenth  
22 affirmative defense states Defendant “has not infringed any  
23 applicable trademarks.” (Id. ¶ 76.) Defendant’s eleventh  
24 affirmative defense states Defendant did not cause damage to  
25 Plaintiff. (Id. ¶ 77.) Defendant’s twelfth affirmative defense  
26 states there has been no damage and Plaintiff is not otherwise  
27 entitled to accounting. (Id. ¶ 78.) Defendant’s fourteenth  
28 affirmative defense states Plaintiff cannot show irreparable harm.

1 (Id. ¶ 80.) Defendant's fifteenth affirmative defense states  
2 Plaintiff is not entitled to seek equitable relief because it has a  
3 complete and adequate remedy at law. (Id. ¶ 81.) Defendant's  
4 seventeenth affirmative defense states one or more of the asserted  
5 marks is not famous. (Id. ¶ 83.) Defendant's twenty-first  
6 affirmative defense asserts Defendant is not liable for the acts of  
7 others over whom it has no control. (Id. ¶ 87.) Defendant's  
8 twenty-second affirmative defense asserts Defendant did not  
9 unfairly compete with Plaintiff. (Id. ¶ 88.)

10       The court agrees with Plaintiff that defenses 5, 10, 11, 14,  
11 17, 21, and 22 are not defenses to liability but, rather, attempts  
12 to negate Plaintiff's prima facie case and deny Plaintiff's right  
13 to damages. If the allegations in Plaintiff's Complaint were found  
14 to be true and Plaintiff were able to establish its prima facie  
15 case, this scenario would necessarily preclude Defendant's contrary  
16 assertions that, for example, the infringement was "innocent," that  
17 Defendant did not cause Plaintiff's damages, or that the marks were  
18 not famous. In other words, the defenses are not independent bases  
19 to deny recovery. These defenses are not, therefore, affirmative  
20 defenses.

21       The court disagrees with Plaintiff that the fifteenth defense,  
22 "Adequacy of Remedy at Law," is not an affirmative defense. Even  
23 assuming all of Plaintiff's allegations were true, Plaintiff could  
24 conceivably be denied the right to recovery if it had no right to  
25 seek equitable relief in the first place. However, Plaintiff is  
26 correct that Defendant has not provided an adequate factual basis  
27 to support this affirmative defense in its Answer and the defense  
28 should therefore be stricken. Unlike the other defenses in this

1 category, however, the fifteenth affirmative defense is not fatally  
2 flawed.

3 The court, accordingly, strikes defenses 5, 10, 11, 12, 14,  
4 17, 21, and 22 without leave to amend. The court strikes defense  
5 15, but grants Defendant leave to amend.

6 **2. Defenses that are Factually Insufficient**

7 **Affirmative Defenses 2, 6, 7, 9, 13, 23**

8 Plaintiff moves to strike affirmative defenses two, six,  
9 seven, nine, thirteen, and twenty-three on the ground that they  
10 "fail to provide notice to Gibson as to what the defense entails or  
11 fail[] to plead sufficient facts to make the defense plausible on  
12 its face." (Mot. at 9:22-24.)

13 "Motions to strike can . . . be used to challenge  
14 affirmative defenses as insufficiently pleaded." Miller v.  
15 Ghirardelli Chocolate Co., 2013 WL 3153388, at \*3 (N.D. Cal. June  
16 19, 2013). Neither the Ninth Circuit nor the Supreme Court has  
17 directly addressed the question of whether the heightened pleading  
18 standard of Twombly and Iqbal apply to affirmative defenses.  
19 However, "[t]he majority of district courts in this [Ninth]  
20 Circuit, including the entire Northern District . . . [have]  
21 consistently applied Twombly and Iqbal to both claims and  
22 affirmative defenses," requiring a defendant to allege enough facts  
23 to state a claim to relief that is plausible on its face. Vogel v.  
24 Huntington Oaks Del. Partners, LLC, 291 F.R.D. 438, 440 (C.D. Cal.  
25 2013); see also Bell Atl. Corp. v. Twombly, 550 U.S. 544, 547  
26 (2007).<sup>1</sup> This approach serves to "weed out the boilerplate listing

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27  
28 <sup>1</sup> In Vogel, the court explained: "Framing the issue as a  
(continued...)



1 of affirmative defenses which is commonplace in most defendant's  
2 pleadings." Miller, 2013 WL 3153388, at \*3 (quoting Barnes v. AT &  
3 T Pension Ben. Plan-Nonbargained Program, 718 F.Supp.2d 1167, 1172  
4 (N.D. Cal. 2010).) "In other words, the simple listing of a series  
5 of conclusory statements asserting the existence of an affirmative  
6 defense without stating a reason why that affirmative defense might  
7 exist is not sufficient." Id.

8 Here, the affirmative defenses at issue are insufficiently  
9 pleaded because they amount to "conclusory statements asserting the  
10 existence of an affirmative defense" with no explanation as to why  
11 they are applicable. Miller, 2013 WL 3153388, at \*3. For example,  
12 Defendant's second affirmative defense states: "The claims made in  
13 the Complaint are barred, in whole or in part, by the doctrines of  
14 fair use, nominative fair use and/or descriptive use." (Ans. ¶ 68.)  
15 Defendant, however, fails to state which of these doctrines are  
16 applicable to what claims and how or why Defendant's alleged use of  
17 Plaintiff's trademarks was fair use, nominative fair use, and/or  
18 descriptive use.

19 Similarly, Defendant's sixth affirmative defense states only:  
20 "The claims made in the Complaint are barred, in whole or in part,  
21 by applicable statutes of limitations." (Id. ¶ 72.) Defendant does  
22 not state what statute(s) of limitations apply to the case, how  
23 long the limitation period(s) are, and to which claims such

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24  
25 <sup>1</sup>(...continued)  
26 choice between Twombly's plausibility standard and [Wyshak v. City  
27 Nat. Bank, 607 F.2d 824 (9th Cir. 1979)]'s fair-notice standard is  
28 misleading, because Twombly merely revised the fair-notice standard  
[set forth in Conley v. Gibson, 78 S.Ct. 99 (1957)] on which Wyshak  
is based. In Wyshak, the Ninth Circuit adopted the prevailing  
fair-notice standard for pleading complaints and applied it to  
affirmative defenses." Vogel, 291 F.R.D. at 440.

1 limitations would apply. Likewise, Defendant's seventh affirmative  
2 defense states: "The claims made in the Complaint are barred by  
3 laches, in that Plaintiff has unreasonably delayed efforts to  
4 enforce its rights, if any, despite its full awareness of  
5 Defendant's actions." (Id. ¶ 73.) Again, Defendant fails to state  
6 to which claims laches apply and the length or nature of the  
7 alleged unreasonable delay.

8 Defendant's ninth affirmative defense states, "Each of the  
9 purported claims set forth in this Complaint is barred by the  
10 doctrines of waiver, acquiescence, and estoppel." (Id. ¶ 75.)  
11 Defendant's thirteenth affirmative defense states: "Upon  
12 information and belief, Plaintiff's claims are barred by the  
13 doctrine of unclean hands." (Id. ¶ 79.) Defendant's twenty-third  
14 affirmative defense states, "Upon information and belief,  
15 Plaintiff's claims amount to trademark misuse." (Id. ¶ 89.)  
16 Defendant provides no factual support for any of these defenses nor  
17 explains how they relate to the allegations in the Complaint.

18 Moreover, Plaintiff is correct that defenses thirteen and  
19 twenty-three are duplicative because "unclean hands" and "trademark  
20 misuse" are the same affirmative defense. See J. Thomas McCarthy,  
21 McCarthy on Trademarks and Unfair Competition, § 31:44 (4th ed.  
22 2014). Defendant, therefore, cannot claim these defenses  
23 separately.

24 Because none of these affirmative defenses provide sufficient  
25 factual support to satisfy the requirement of plausibility, the  
26 court strikes defenses 2, 6, 7, 9, 13, and 23. However, as  
27 Defendant has pled only bare conclusions, the court cannot  
28 determine that these affirmative defenses are insufficient as a

1 matter of law. Defendant, therefore, is granted leave to amend its  
2 Answer.

3 **Affirmative Defense 19**

4 Plaintiff additionally moves to strike Defendant's nineteenth  
5 defense, which states: "Upon information and belief, the claims  
6 made in the complaint are barred, in whole or in part, by  
7 Plaintiff's actions which amounted to a fraud on the United States  
8 Patent & Trademark Office during the prosecution of the  
9 applications that matured into the registrations of the asserted  
10 marks." (Ans. ¶ 85.) Plaintiff asserts that this defense fails to  
11 meet the heightened fraud pleading standard of Federal Rule of  
12 Civil Procedure 9(b). (Mot. at 14:16-17.)

13 The court agrees. "In alleging fraud or mistake, a party must  
14 state with particularity the circumstances constituting fraud or  
15 mistake." Fed. R. Civ. P. 9(b). "Particularity" means that fraud  
16 allegations must be accompanied by "the who, what, when, where, and  
17 how" of the misconduct charged. Vess v. Ciba-Geigy Corp. USA, 317  
18 F.3d 1097, 1103-06 (9th Cir. 2003). "Allegations under Rule 9(b)  
19 must be stated with 'specificity including an account of the time,  
20 place, and specific content of the false representations as well as  
21 the identities of the parties to the misrepresentations.'" Forever  
22 21, Inc. v. Nat'l Stores Inc., 2014 WL 722030, at \*3 (C.D. Cal.  
23 Feb. 24, 2014) (quoting Swartz v. KPMG LLP, 476 F.3d 756, 764 (9th  
24 Cir.2007)). This elevated pleading standard applies to affirmative  
25 defenses. See, e.g., Chiron Corp. v. Abbott Labs, 156 F.R.D. 219,  
26 220 (N.D. Cal. 1994) (finding that "[f]raud defenses . . . are also  
27 governed by Rule 9(b)").

28

1           Whether or not this court applies the heightened Rule 9(b)  
2 standard, Defendant's affirmative defense is not sufficiently pled.  
3 Not only does Defendant neglect to state "the who, what, when,  
4 where, and how" of the purported fraud (see Vess, 317 F.3d at  
5 1103-06), Defendant's conclusory assertion provides neither the  
6 "nature" nor the "grounds" for the fraud such that Plaintiff would  
7 have fair notice of the defense. See Koehler, 291 F.R.D. at 468.

8           The court, therefore, strikes the nineteenth affirmative  
9 defense with leave to amend.

### 10 **3. Defenses that are Immaterial and/or Redundant**

#### 11 **Affirmative Defenses 3, 4, 8, 20**

12           Plaintiff moves to strike defenses three, four, eight, and  
13 twenty on the ground that they are immaterial and/or redundant. "To  
14 the extent that [the defendant] restates negative defenses that  
15 exist in other parts of the complaint, those defenses are redundant  
16 pursuant to Rule 12(f) and should be struck so as to simplify and  
17 streamline the litigation." Barnes, 718 F. Supp. 2d at 1174; see  
18 also Vogel v. OM ABS, Inc., 2014 WL 340662, at \*5 (C.D. Cal. Jan.  
19 30, 2014)(granting plaintiff's motion to strike affirmative  
20 defenses without leave to amend because the affirmative defenses  
21 and denials in defendant's answer were redundant). A matter is  
22 "immaterial" if it "has no essential or important relationship to  
23 the claim for relief or the defenses being pleaded." Fantasy, Inc.,  
24 984 F.2d at 1527.

25           The court agrees with Plaintiff that Defendant's fourth,  
26 eighth, and twentieth affirmative defenses are redundant.  
27 Defendant's fourth affirmative defense states that Plaintiff's  
28 claims are barred "on the basis that any marks and use of marks at

1 issue are generic, or otherwise unprotectable as said marks lack  
2 secondary meaning and/or do not serve as source identifiers." (Ans.  
3 ¶ 70.) This defense repeats the denials in paragraphs 10-15 of  
4 Defendant's Answer and is, therefore, redundant. (See id. ¶¶  
5 10-15.) Defendant's eighth affirmative defense states: "One or more  
6 of the asserted trade dresses are invalid because the alleged  
7 designs are generic, and/or have not acquired secondary meaning.  
8 (Id. ¶ 74.) This defense repeats the denials in paragraphs 54-55 of  
9 the Answer and is also redundant. (See id. ¶¶ 54-55.) Finally,  
10 Defendant's twentieth affirmative defense states: "The claims made  
11 in the Complaint are barred, in whole or in part, by reason of  
12 other parties' use of any marks at issue." (Id. ¶ 86.) This defense  
13 repeats Defendant's denials in paragraphs 10-15 of the Answer and  
14 is, thus, redundant. (See id. ¶¶ 10-15.) As such, the court grants  
15 Plaintiff's Motion to Strike defenses four, eight, and twenty,  
16 without leave to amend.

17       As to the Defendant's third affirmative defense, the court  
18 cannot determine with certainty whether it is redundant or  
19 immaterial. The third affirmative defense states only: "One or more  
20 of the asserted trademark registrations is invalid, or otherwise  
21 unenforceable." (Id. ¶ 69.) Although Defendant may conceivably  
22 raise invalidity as an affirmative defense, Defendant fails to  
23 adequately plead this defense in its Answer. Defendant does not  
24 specify which trademarks are at issue or on what basis they are  
25 "invalid, or otherwise unenforceable." Therefore, the court strikes  
26 the third affirmative defense but grants Defendant leave to amend.

27  
28

1 **4. Defenses Not at Issue**

2 **Affirmative Defenses 16, 18, 24**

3 Defendant's sixteenth, eighteenth, and twenty-fourth  
4 affirmative defenses are not at issue. Thus, Defendant may raise  
5 these defenses as affirmative defenses.

6  
7 Defendant argues that striking the disputed affirmative  
8 defenses--even if they are insufficient--"will not remove these  
9 issues from the case" nor accomplish anything "in terms of  
10 streamlining the case." (Opp. at 3:6-12.) However, allowing  
11 Defendant's non-affirmative defenses, insufficiently pleaded  
12 defenses, and redundant defenses to stand would inevitably make the  
13 litigation more expensive, more complicated, and waste judicial  
14 resources. Moreover, Defendant is not precluded from raising its  
15 non-affirmative defenses during the course of the litigation.

16  
17 **III. Counterclaims**

18 **A. Legal Standard**

19 A complaint will survive a motion to dismiss when it contains  
20 "sufficient factual matter, accepted as true, to state a claim to  
21 relief that is plausible on its face." Ashcroft v. Iqbal, 556 U.S.  
22 662, 678 (2009)(quoting Bell Atl. Corp. v. Twombly, 550 U.S. 544,  
23 570 (2007)). When considering a Rule 12(b)(6) motion, a court must  
24 "accept as true all allegations of material fact and must construe  
25 those facts in the light most favorable to the plaintiff." Resnick  
26 v. Hayes, 213 F.3d 443, 447 (9th Cir. 2000). "When there are well-  
27 pleaded factual allegations, a court should assume their veracity

1 and then determine whether they plausibly give rise to an  
2 entitlement of relief." Iqbal, 556 U.S. at 679.

3 Conclusory allegations or allegations that are no more than a  
4 statement of a legal conclusion "are not entitled to the assumption  
5 of truth." Iqbal, 556 U.S. at 679. In other words, a pleading that  
6 merely offers "labels and conclusions," a "formulaic recitation of  
7 the elements," or "naked assertions" will not be sufficient to  
8 state a claim upon which relief can be granted. Id. at 678.

9 (Citations and internal quotation marks omitted). "[T]o be entitled  
10 to the presumption of truth, allegations in a . . . counterclaim  
11 may not simply recite the elements of a cause of action, but must  
12 contain sufficient allegations of underlying facts to give fair  
13 notice and to enable the opposing party to defend itself  
14 effectively." Starr v. Baca, 652 F.3d 1202, 1216 (9th Cir. 2011).  
15 Moreover, "[t]he factual allegations that are taken as true must  
16 plausibly suggest an entitlement to relief, such that it is not  
17 unfair to require the opposing party to be subjected to the expense  
18 of discovery and continued litigation." Id.

19 **B. Discussion**

20 Plaintiff seeks dismissal of Defendant's counterclaims 1  
21 through 6. In these counterclaims, Defendant contends that each of  
22 the six disputed guitar body designs is a generic shape used  
23 throughout the industry and should not, therefore, be afforded  
24 trademark protection. (See Ans. ¶¶ 92-121.) Plaintiff, however,  
25 argues that Defendant's counterclaims should be dismissed on the  
26 ground that they do not contain sufficient allegations of  
27 underlying facts to plausibly state a claim to relief. (See Mot. at  
28 17, 20-21.)

1           The Lanham Act provides that any person "who believes that he  
2 is or will be damaged" by the registration of a trademark on the  
3 principal register may file a petition to cancel the mark's  
4 registration. 15 U.S.C. § 1064. The party seeking cancellation must  
5 prove two elements: "(1) that it has standing; and (2) that there  
6 are valid grounds for canceling the registration." Cunningham v.  
7 Laser Golf Corp., 222 F.3d 943, 945 (Fed. Cir. 2000).

8           One valid ground for cancellation is when a mark "becomes the  
9 generic name for the goods or services, or a portion thereof." 15  
10 U.S.C. § 1064(3). Cases addressing product design suggest that  
11 "genericness" covers three situations: (1) if the definition of a  
12 product design is overbroad or too generalized; (2) if a product  
13 design is the basic form of a type of product; or (3) if the  
14 product design is so common in the industry that it cannot be said  
15 to identify a proper source. Walker Zanger, Inc. v. Paragon Indus.,  
16 Inc., 549 F. Supp. 2d 1168, 1174 (N.D. Cal. 2007). "Competitors may  
17 use a term that was once distinctive if it has become generic over  
18 time." Yellow Cab Co. of Sacramento v. Yellow Cab of Elk Grove,  
19 Inc., 419 F.3d 925, 928 (9th Cir. 2005). "The crucial date for the  
20 determination of genericness is the date on which the alleged  
21 infringer entered the market with the disputed mark or term." Id.

22           Moreover, a registered mark that has been in continuous use  
23 for five consecutive years and is still in use in commerce can  
24 become incontestable. 15 U.S.C. § 1065. Once a mark has become  
25 "incontestable," "registration shall be conclusive evidence of the  
26 registrant's exclusive right to use the registered mark." See Park  
27 'N Fly, Inc. v. Dollar Park and Fly, Inc., 469 U.S. 189, 196  
28 (1985). The Lanham Act's incontestability provisions "provide a



1 means for the registrant to quiet title in the ownership of his  
2 mark." Id. at 198. An uncontestable mark may, however, be canceled  
3 "at any time" if it "becomes the generic name for the goods or  
4 services, or a portion thereof, for which it is registered, or is  
5 functional, or has been abandoned [or obtained fraudulently]. . . .  
6 " 15 U.S.C. § 1064(3).

7 In its six counterclaims, Defendant asserts that Plaintiff's  
8 disputed trademarks--including the four designs that have attained  
9 incontestable status--should be canceled because they are generic.  
10 The counterclaims, however, all fail to plausibly state a claim for  
11 genericness. In each of the counterclaims, Defendants merely  
12 assert: "For decades, countless other manufacturers have  
13 manufactured and sold in the United States electric guitars  
14 incorporating a body shape identical or substantially similar to  
15 [the disputed guitar body design]." (Ans. ¶¶ 93, 98, 103, 108, 113,  
16 118.) From this assertion, Defendant then concludes, "[a]s a result  
17 of the foregoing, [the disputed guitar body design] is a generic  
18 electric guitar shape" and "does not function as a source  
19 identifier." (Id. ¶¶ 94, 99, 104, 109, 114, 119.)

20 Defendant does not, however, name any of the "countless other  
21 manufacturers" who have manufactured or sold guitars with  
22 "identical or substantially similar" body designs. As Plaintiff  
23 points out, these "other manufacturers" could be Gibson licensees  
24 or subsidiaries, which would defeat Defendant's assertion that the  
25 marks have attained "generic" status. Nor does Defendant specify  
26 the time period or "decades" during which the purported similar  
27 guitars were "manufactured and sold." This information is necessary  
28 to state a plausible claim for a generic mark because Defendant

1 must show that the allegedly similar and/or identical guitars were  
2 being sold at the date when Defendant "entered the market with the  
3 disputed mark or term." See Yellow Cab, 419 F.3d at 928.  
4 Defendant's counterclaims, thus, fall short of plausibly stating a  
5 claim for relief.

6 The court, accordingly, grants Plaintiff's Motion to Dismiss  
7 counterclaims one through six. Defendant is granted leave to amend  
8 its Answer as to each of these claims.

9

10 **IV. Conclusion**


11 For the reasons set forth herein, Plaintiff's Motion to  
12 Strike/Dismiss Defendant's affirmative defenses and counterclaims  
13 is GRANTED. Accordingly, it is HEREBY ORDERED that:

- 14 1. Defendant's affirmative defenses 1, 4, 5, 8, 10, 11, 12, 14,  
15 17, 20, 21, and 22 are STRICKEN WITHOUT LEAVE TO AMEND;
- 16 2. Defendant's affirmative defenses 2, 3, 6, 7, 9, 13, 15, 19,  
17 and 23 are STRICKEN WITH LEAVE TO AMEND;
- 18 3. Defendant's counterclaims 1-6 are DISMISSED WITH LEAVE TO  
19 AMEND;
- 20 4. Any amended affirmative defenses and counterclaims must be  
21 filed within 14 days of the date of this Order; and
- 22 5. If Defendant does not elect to amend the affirmative defenses  
23 and counterclaims, the Answer filed on January 27, 2014, shall  
24 be deemed the operative answering pleading, but all the  
25 affirmative defenses and counterclaims therein are stricken.

26 IT IS SO ORDERED.

27 Dated: August 22, 2014

28

  
DEAN D. PREGERSON  
United States District Judge