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11 Attorneys for Defendants
 MOTOROLA TRADEMARK HOLDINGS, LLC,
 12 MOTOROLA MOBILITY, INC.,
 and MOTOROLA MOBILITY HOLDINGS, INC.

13 **UNITED STATES DISTRICT COURT**
 14 **NORTHERN DISTRICT OF CALIFORNIA**
 15 **SAN FRANCISCO DIVISION**

17	XOOM CORPORATION, a California corporation,)	Case No.: 11-CV-0848-CRB
)	
18	Plaintiff,)	ANSWER AND AFFIRMATIVE
)	DEFENSES TO COMPLAINT
19	vs.)	SEEKING DAMAGES AND
)	INJUNCTIVE RELIEF
20	MOTOROLA TRADEMARK HOLDINGS, LLC, a)	
	Delaware limited liability company, MOTOROLA)	
21	MOBILITY, INC., a Delaware corporation, and)	
	MOTOROLA MOBILITY HOLDINGS, INC., a)	
22	Delaware corporation, and DOES 1 through 10)	
	inclusive,)	
23)	
	Defendants.)	
24	_____)	

25 Defendants Motorola Trademark Holdings, LLC, Motorola Mobility, Inc., and Motorola
 26 Mobility Holdings, Inc. (collectively, "Motorola"), by and through their undersigned counsel,
 27 hereby answer Plaintiff Xoom Corporation's allegations set forth in its Complaint as follows:
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Complaint No. 1

Xoom brings this action against Defendants Motorola Trademark Holdings, LLC, Motorola Mobility, Inc. and Motorola Mobility Holdings, Inc. and DOES 1 through 10 (collectively “Defendants” or “Motorola”) for trademark infringement, false designation of origin, unfair competition, false advertising and unfair business practices in violation of the Lanham Act, 15 U.S.C. §§ 1114(1), and 1125(a)(1), California Business and Professions Code §§ 17200 *et seq.*, and § 14335, and common law, arising from Defendants’ adoption and/or use of the identical XOOM brand for Defendants’ mobile computer and related products and services offered to consumers via the Internet, which products and services are directly related to the products Xoom has long offered using its federally registered, incontestable XOOM® mark and its Xoom trade name to consumers via the Internet and accessible on computers and mobile devices over the Internet. Defendants’ adoption and/or use of the XOOM and MOTOROLA XOOM brand has caused and is likely to continue to cause confusion with Xoom’s long held and incontestable XOOM® mark and Xoom’s Xoom trade name.

Answer No. 1

Motorola admits that Plaintiff has brought this action against Motorola. Motorola denies that Plaintiff offers “products,” and denies each and every remaining allegation in Paragraph 1.

PARTIES

Complaint No. 2

Xoom Corporation is a California corporation, with its principal place of business at 100 Bush Street, San Francisco, California 94104, doing business in San Francisco, throughout the United States and in foreign countries, since at least as early as 2003 under the Xoom trade name and the federally registered and incontestable XOOM® trademark.

Answer No.2

Motorola is without sufficient knowledge or information to form a belief as to the truth of the allegations in Paragraph 2 and, therefore, denies each and every allegation in Paragraph 2.

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Complaint No. 3

Motorola Trademark Holdings, LLC is a Delaware limited liability company, with its principal place of business at 600 North U.S. Highway 45, Libertyville, Illinois 60048.

Answer No. 3

Motorola admits the allegations in Paragraph 3.

Complaint No. 4

Motorola Mobility, Inc. is a Delaware corporation with its principal place of business at 600 North U.S. Highway 45, Libertyville, Illinois 60048.

Answer No.4

Motorola admits the allegations in Paragraph 4.

Complaint No. 5

Motorola Mobility Holdings, Inc. is a Delaware corporation with its principal place of business at 600 North U.S. Highway 45, Libertyville, Illinois 60048.

Answer No.5

Motorola admits the allegations in Paragraph 5.

Complaint No. 6

Xoom is informed and believes, and on that basis alleges, that Motorola Trademark Holdings, LLC, Motorola Mobility, Inc. and Motorola Mobility Holdings, Inc. acted together or in connection with DOES 1 through 10 in engaging in the acts giving rise to these claims and that they are liable for the acts of each other as agents, conspirators, principals or alter egos of each other in committing the acts described herein.

Answer No. 6

Motorola denies each and every allegation in Paragraph 6.

Complaint No. 7

The true names and capacities of DOES 1 through 10 are unknown to Xoom, which therefore sues such defendants by fictitious names. Xoom will seek leave to amend this Complaint to allege the true names and capacities of such DOE defendants when the same are ascertained. Xoom is informed and believes, and on that basis alleges, that each of the fictitiously named

1 defendants is responsible in some manner for the conduct, injuries and damages alleged in this
2 Complaint.

3 **Answer No. 7**

4 Motorola is without sufficient knowledge or information to form a belief as to the truth of
5 the allegations in Paragraph 7 and, therefore, denies each and every allegation in Paragraph 7.

6 **JURISDICTION AND VENUE**

7 **Complaint No. 8**

8 This Court has subject matter jurisdiction over Xoom's federal, state and common law
9 claims of trademark infringement and unfair competition pursuant to 15 U.S.C. § 1121 and 28
10 U.S.C. §§ 1331, 1338(a)-(b), and 1367(a).

11 **Answer No. 8**

12 Motorola admits the allegations in Paragraph 8 as to jurisdiction, but denies that Plaintiff is
13 entitled to any of its requested relief.

14 **Complaint No. 9**

15 This Court has personal jurisdiction over Motorola, and venue is proper in this district
16 pursuant to 28 U.S.C. § 1391 (b)-(c), because on information and belief, Motorola has a presence in
17 the state of California and in this District, and conducts regular and systematic business in
18 California and in this District, has purposefully availed itself of conducting business in California
19 and in this District, and/or the events giving rise to the claims alleged in this complaint have a
20 substantial effect in California and a substantial part of such events occurred in this District. Xoom
21 is informed and believes, and on that basis alleges, that Motorola is qualified to do business in
22 California; Motorola sells, promotes and advertises its products and services in California, including
23 its XOOM mobile computer and related product offerings; and has offices within California and in
24 this District.

25 **Answer No. 9**

26 Motorola admits the allegations in Paragraph 9 as to personal jurisdiction, but denies that
27 Plaintiff is entitled to any of its requested relief.

1 **Complaint No. 10**

2 Xoom has its principal place of business in San Francisco, California, which is located
3 within this District and has suffered and will continue to suffer injury and harm in this District as a
4 result of Defendants' adoption and/or use of the Xoom designation without authorization from
5 Xoom.

6 **Answer No. 10**

7 Motorola denies that Plaintiff has suffered or will suffer any injury or harm as a result of
8 Motorola's actions. Motorola is without sufficient knowledge or information to form a belief as to
9 the truth of the remaining allegations in Paragraph 10 and, therefore, denies each and every
10 remaining allegation in Paragraph 10.

11 **FACTUAL ALLEGATIONS**

12 **Complaint No. 11**

13 Xoom has long owned and prominently used the trade name Xoom and the federally
14 registered, incontestable trademark XOOM® for its online business. Since at least as early as 2003,
15 Xoom has offered consumers access to its remittance software services through its www.xoom.com
16 web site using its distinctive XOOM® mark and trade name. Through this long online use
17 accessible via computer and mobile devices, Xoom's trade name and the XOOM® products have
18 become associated exclusively with Xoom. Until Defendants' adoption of the Xoom brand without
19 authorization from Xoom, Xoom to its knowledge was the only entity currently using the name or
20 mark Xoom for online product offerings. Xoom secured the www.xoom.com domain name in 2003
21 and has used it for its online product offerings.

22 **Answer No. 11**

23 Motorola denies that Plaintiff offers "products," denies that the XOOM mark is associated
24 exclusively with Plaintiff, and denies that Plaintiff was the only entity using the name or mark
25 XOOM for online product offerings. Motorola is without sufficient knowledge or information to
26 form a belief as to the truth of the remaining allegations in Paragraph 11 and, therefore, denies each
27 and every remaining allegation in Paragraph 11.

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Complaint No. 12

At the website, xoom.com, and elsewhere on the Internet, Xoom features and promotes Xoom’s computer accessible, secure, fast and inexpensive remittance services, which allow users to transmit monies through the xoom.com web site to more than 30 different countries. The Xoom website and the XOOM® product offerings are available for use through computers and mobile devices, including mobile or tablet computers.

Answer No. 12

Motorola denies that Plaintiff offers “products.” Motorola is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in Paragraph 12 and, therefore, denies each and every allegation in Paragraph 12.

Complaint No. 13

As a result of its exclusive use since at least as early as 2003, the XOOM® mark has become exclusively associated by consumers as a designation of source for Xoom’s online products, including its provision of online access to XOOM® product offerings.

Answer No. 13

Motorola denies that Plaintiff offers “products,” and denies each and every remaining allegation in Paragraph 13.

Complaint No. 14

Xoom owns an incontestable United States trademark registration for XOOM®, Federal Registration No. 2,909,931, covering “providing business information, namely, on money transfer services,” and “money transfer services; electronic funds transfer services; bill payment remittance services; electronic payment, namely, electronic processing and transmission of bill payment data.” The mark registered on December 14, 2004 and became incontestable with the filing (and acceptance) of Xoom’s Section 8 and 15 affidavits demonstrating continuous use of the XOOM® mark for five years after registration. A true and correct copy of the registration certificate is attached hereto as Exhibit A and incorporated herein as if fully set forth.

1 **Answer No. 14**

2 Motorola admits that Plaintiff owns a United States trademark registration for the mark
3 XOOM, Federal Registration No. 2,909,931 covering “providing business information, namely, on
4 money transfer services,” and “money transfer services; electronic funds transfer services; bill
5 payment remittance services; electronic payment, namely, electronic processing and transmission of
6 bill payment data,” which registered on December 14, 2004. Motorola is without sufficient
7 knowledge or information to form a belief as to the truth of the remaining allegations in Paragraph
8 14 and, therefore, denies each and every allegation in Paragraph 14.

9 **Complaint No. 15**

10 In an effort to exploit and improperly trade on Xoom’s goodwill, to otherwise diminish the
11 value of the Xoom trade name and the XOOM mark, and to confuse and mislead consumers,
12 Motorola without authorization deliberately and unlawfully appropriated Xoom’s trade name and
13 trademark rights through its adoption and/or use of the XOOM and/or MOTOROLA XOOM
14 designations, and its intent-to-use application to register an identical XOOM designation for mobile
15 computers and related accessories, U.S. Application No. 85161358.

16 **Answer No. 15**

17 Motorola admits that it filed for a trademark application in the U.S. Patent and Trademark
18 Office, U.S. Application No. 85161358, for the mark XOOM for “[m]obile computers and related
19 accessories, namely, mobile computer docking stations, cradles for holding mobile computers,
20 mounts for holding mobile computers, holders for holding mobile computers, stands for mobile
21 computers, carrying cases for mobile computers, stands for mobile computers, protective covers for
22 mobile computers, protective or decorative skins, namely, fitted or plastic films known as skins for
23 covering and protecting mobile computers, batteries, power adaptors, computer cables, cable
24 connectors, headsets and speakers for use with mobile computers.” Motorola denies each and every
25 remaining allegation in Paragraph 15.

26 **Complaint No. 16**

27 Motorola filed its intent-to-use trademark application for the XOOM designation on October
28 26, 2010, well after Xoom adopted its trade name in 2003, well after Xoom began offering its

1 products under its XOOM® mark and name in 2003, well after the XOOM® mark registered to
2 Xoom, and well after the XOOM® federal trademark registration became incontestable.

3 **Answer No. 16**

4 Motorola admits that it filed an intent-to-use trademark application for XOOM on October
5 26, 2010. Motorola denies that Xoom offers “products,” and denies each and every remaining
6 allegation in Paragraph 16.

7 **Complaint No. 17**

8 Xoom is informed and believes, and on that basis alleges, that Defendants have promoted,
9 advertised and marketed, and offered for sale in interstate commerce a mobile computer and related
10 product offerings using Xoom’s XOOM® mark, Defendants display the Xoom trademark alone and
11 in lettering much larger than the Motorola wording on their website and in other advertisements, all
12 of which are the subject of this Complaint.

13 **Answer No. 17**

14 Motorola admits that it has promoted, advertised and marketed, and offered for sale in
15 interstate commerce its MOTOROLA XOOM mobile computers and related accessories. Motorola
16 denies that the XOOM mark is associated exclusively with Plaintiff, and denies each and every
17 remaining allegation in Paragraph 17.

18 **Complaint No. 18**

19 By way of example, Defendants, on their website at motorola.com, allow users to view a
20 commercial for their Xoom product offering, in which Defendants use Xoom’s XOOM® mark on
21 the screen of the device screen, very much like the XOOM® mark and name would appear on the
22 screen if the xoom.com site was accessed online through the Defendants’ Xoom device:
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Answer No. 18

Motorola is without sufficient knowledge or information to form a belief as to whether the image in Paragraph 18 is a true and correct image of what Plaintiff purports it to be. Motorola admits that users could, at one point, view a commercial for the MOTOROLA XOOM product on Motorola’s website. Motorola denies each and every remaining allegation in Paragraph 18.

Complaint No. 19

Defendants also have purchased the XOOM keyword on online search engines. Thus, when users conduct an online search for “Xoom” using the Google search engine, Defendants’ advertisements for XOOM product offerings are featured, sometimes as the first result, and are listed before any of Xoom’s own advertisements or links to Xoom’s website. The outcome is similar on other search engines.

Answer No. 19

Motorola admits that it has legally purchased “XOOM” as a keyword on at least one online search engine. Motorola is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in Paragraph 19 and, therefore, denies each and every allegation in Paragraph 19.

1 **Complaint No. 20**

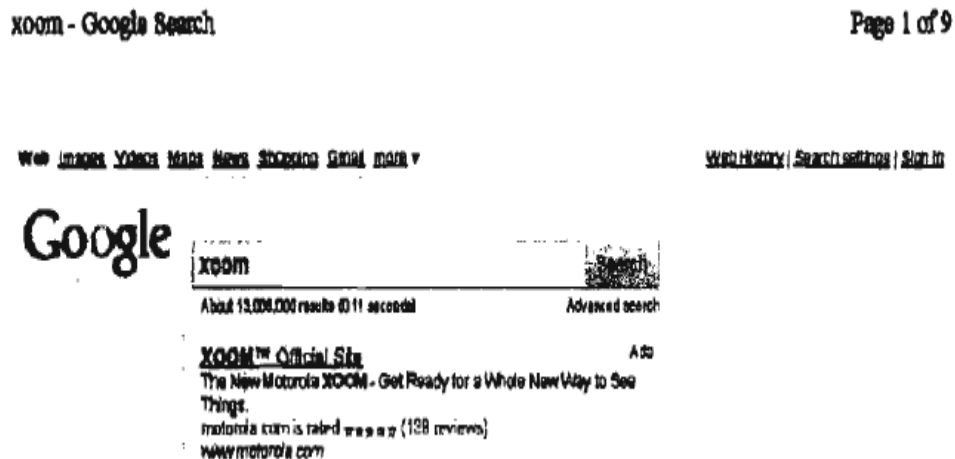
2 Resellers of Defendants’ Xoom product offerings also have begun to purchase and use
3 Xoom as a keyword and in headlines for the ads that they run on the Internet, all without any
4 apparent objection from the Defendants.

5 **Answer No. 20**

6 Motorola is without sufficient knowledge or information to form a belief as to the truth of
7 the allegations in Paragraph 20 and, therefore, denies each and every allegation in Paragraph 20.

8 **Complaint No. 21**

9 Defendants’ advertisements on the Internet also represent that they constitute the Xoom
10 “Official Site,” when that is not the case. For example, the following advertisement appeared after
11 entering “xoom” as a search term using the Google search engine:



20 Indeed, Xoom has long used the wording “Official Site” in conjunction with its website at
21 xoom.com and the products and services that it offers on the site, all of which increase the
22 likelihood that consumers will be confused and misled as a result of Defendants’ unauthorized use
23 of Xoom’s name and mark on the Internet, particularly with the wording “Official.”

24 **Answer No. 21**

25 Motorola is without sufficient knowledge or information to form a belief as to whether the
26 image in Paragraph 21 is a true and correct image of what Plaintiff purports it to be. Motorola
27 denies that Plaintiff offers “products,” and denies that there is any likelihood that consumers will be
28 confused or misled by Motorola’s actions. Motorola is without sufficient knowledge or information

1 to form a belief as to the truth of the remaining allegations in Paragraph 21 and, therefore, denies
2 each and every remaining allegation in Paragraph 21.

3 **Complaint No. 22**

4 By engaging in this willful and deliberate conduct, Defendants have willfully infringed
5 Xoom's trade name and federally registered trademark, creating a false association between
6 Defendants and Xoom, when there is no association, and otherwise falsely and fraudulently
7 representing the Xoom product offerings of Defendants to the public, and engaging in false
8 advertising that is materially false and misleading to the public.

9 **Answer No. 22**

10 Motorola denies each and every allegation in Paragraph 22.

11 **Complaint No. 23**

12 As a result of Defendants' unlawful conduct, the public is misled as to an association with
13 Xoom, when there is none, and thereby Xoom has suffered and will continue to suffer irreparable
14 injury and be otherwise harmed, along with consumers who are confused and misled. Such injury
15 and harm will continue unless Defendants' conduct is enjoined.

16 **Answer No. 23**

17 Motorola denies each and every allegation in Paragraph 23.

18 **FIRST CLAIM FOR RELIEF**
19 **(TRADEMARK INFRINGEMENT – 15 U.S.C. § 1114(1))**

20 **Complaint No. 24**

21 Xoom incorporates by reference and realleges as though fully set forth herein the allegations
22 of paragraphs 1 through 23, inclusive.

23 **Answer No. 24**

24 Motorola repeats and incorporates by reference its responses to Paragraphs 1 through 23 as
25 its response to Paragraph 24.

26 **Complaint No. 25**

27 The above acts of Defendants constitute trademark infringement of Xoom's XOOM® mark
28 in violation of section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1).

1 **Answer No. 25**

2 Motorola denies each and every allegation in Paragraph 25.

3 **Complaint No. 26**

4 Motorola has applied for and sworn under penalty of perjury that it intends to use the
5 identical XOOM designation for mobile computer product offerings, including on the Internet,
6 without any authorization from Xoom. In furtherance of its Application, Defendants have used,
7 promoted and offered for sale, their product offerings under an identical XOOM designation,
8 without any authorization from Xoom, causing confusion in the marketplace, which is harming
9 consumers and Xoom. Further, Defendants have used, promoted and offered for sale, their product
10 offerings under the confusingly similar MOTOROLA XOOM designation, without any
11 authorization from Xoom, causing confusion in the marketplace, which is harming consumers and
12 Xoom.

13 **Answer No. 26**

14 Motorola admits that it has applied for a trademark application for the mark XOOM for
15 “[m]obile computers and related accessories, namely, mobile computer docking stations, cradles for
16 holding mobile computers, mounts for holding mobile computers, holders for holding mobile
17 computers, stands for mobile computers, carrying cases for mobile computers, stands for mobile
18 computers, protective covers for mobile computers, protective or decorative skins, namely, fitted or
19 plastic films known as skins for covering and protecting mobile computers, batteries, power
20 adaptors, computer cables, cable connectors, headsets and speakers for use with mobile computers,”
21 and admits that it has used, promoted and offered for sale MOTOROLA XOOM mobile computers
22 and related accessories. Motorola denies each and every remaining allegation in Paragraph 26.

23 **Complaint No. 27**

24 Defendants’ proposed use and use of the identical XOOM designation for its mobile
25 computer and related product offerings has caused confusion and is likely to continue cause
26 confusion, mistake and deception among the general consuming public as to the identity of the
27 XOOM product offerings, whether those of Defendants or Xoom.
28

1 **Answer No. 27**

2 Motorola denies each and every allegation in Paragraph 27.

3 **Complaint No. 28**

4 Defendants' use of XOOM and/or MOTOROLA XOOM is without the permission of
5 Xoom.

6 **Answer No. 28**

7 Motorola admits that it did not obtain permission from Plaintiff to use MOTOROLA
8 XOOM, but affirmatively avers that no such permission was necessary. Motorola denies each and
9 every remaining allegation in Paragraph 28.

10 **Complaint No. 29**

11 Xoom is informed and believes, and on that basis alleges, that Defendants' conduct has been
12 knowing, deliberate and willful.

13 **Answer No. 29**

14 Motorola denies each and every allegation in Paragraph 29.

15 **Complaint No. 30**

16 As a direct and proximate result of Defendants' unlawful conduct, Xoom has been, and will
17 continue to be, irreparably harmed, injured and/or damaged by Defendants' wrongful acts, and such
18 harm, injury and/or damage will continue unless Defendants' conduct is enjoined by the Court.

19 **Answer No. 30**

20 Motorola denies each and every allegation in Paragraph 30.

21 **Complaint No. 31**

22 As a direct and proximate result of Defendants' unlawful conduct, Xoom has suffered and is
23 entitled to monetary damages in an amount not yet determined.

24 **Answer No. 31**

25 Motorola denies each and every allegation in Paragraph 31.

1 **Complaint No. 32**

2 Xoom is informed and believes, and on that basis alleges, that Defendants' acts were in
3 conscious and willful disregard of Xoom's federal trademark rights, and the resulting damage to
4 Xoom warrants treble damages and the recovery of attorney's fees and costs.

5 **Answer No. 32**

6 Motorola denies each and every allegation in Paragraph 32.

7
8 **SECOND CLAIM FOR RELIEF**
9 **(FALSE DESIGNATION OF ORIGIN AND UNFAIR COMPETITION—**
10 **15 U.S.C. § 1125(a))**

11 **Complaint No. 33**

12 Xoom incorporates by reference and realleges as though fully set forth herein the allegations
13 of paragraphs 1 through 32, inclusive.

14 **Answer No. 33**

15 Motorola repeats and incorporates by reference its responses to Paragraphs 1 through 32 as
16 its response to Paragraph 33.

17 **Complaint No. 34**

18 The above acts of Defendants constitute unfair competition and false designation of origin in
19 violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).

20 **Answer No. 34**

21 Motorola denies each and every allegation in Paragraph 34.

22 **Complaint No. 35**

23 Defendants are unfairly competing with Xoom by virtue of its unauthorized use of Xoom's
24 XOOM® trademark and trade name in interstate commerce to sell, offer for sale, distribute and
25 advertise a mobile computer and related product offerings, which falsely leads consumers to believe
26 that Defendants' products and services are affiliated or associated with, originate from, or are
27 sponsored, or approved by Xoom.

28 **Answer No. 35**

Motorola denies each and every allegation in Paragraph 35.

1 **Complaint No. 36**

2 Xoom is informed and believes, and on that basis alleges, that Defendants have in effect
3 informed the marketplace that Defendants' XOOM and MOTOROLA XOOM product offerings are
4 the products and services of Xoom or that Xoom's XOOM® product offerings are affiliated or
5 associated with Motorola. These misrepresentations were made in commercial advertising or
6 promotion of Defendants' products, and are false and/or misleading and do not properly represent
7 the nature or characteristics of Defendants' mobile computer or related products.

8 **Answer No. 36**

9 Motorola denies that Plaintiff offers "products," and denies each and every remaining
10 allegation in Paragraph 36.

11 **Complaint No. 37**

12 Defendants' false and/or misleading statements, which Defendants have made or caused to
13 be made in interstate commerce, have actually deceived, and/or have the tendency to deceive a
14 substantial segment of the consuming public and the marketplace.

15 **Answer No. 37**

16 Motorola denies each and every allegation in Paragraph 37.

17 **Complaint No. 38**

18 Xoom is informed and believes, and on that basis alleges, that Defendants' actions were
19 done with full knowledge, and with the intent to cause confusion and to mislead and deceive the
20 purchasing public and that these statements have actually deceived or have a tendency to deceive a
21 substantial segment of the purchasing public.

22 **Answer No. 38**

23 Motorola denies each and every allegation in Paragraph 38.

24 **Complaint No. 39**

25 Xoom has been injured and damaged by Defendants' conduct.

26 **Answer No. 39**

27 Motorola denies each and every allegation in Paragraph 39.

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Complaint No. 40

Xoom has no adequate remedy at law. Defendants’ conduct, as described herein, has caused and, if not enjoined, will continue to cause irreparable damage to Xoom. As a result of Defendants’ conduct, Xoom is entitled to injunctive relief and damages.

Answer No. 40

Motorola denies each and every allegation in Paragraph 40.

Complaint No. 41

As a direct and proximate result of Defendants’ unlawful conduct, Xoom has suffered and is entitled to monetary damages in an amount not yet determined.

Answer No. 41

Motorola denies each and every allegation in Paragraph 41.

Complaint No. 42

Xoom is informed and believes, and on that basis alleges, that Defendants’ acts were in conscious and willful disregard of Xoom’s trademark and trade name, and the resulting damage to Xoom warrants treble damages and attorneys’ fees and costs.

Answer No. 42

Motorola denies each and every allegation in Paragraph 42.

THIRD CLAIM FOR RELIEF
(FALSE ADVERTISING – 15 U.S.C. § 1125)

Complaint No. 43

Xoom incorporates by reference and realleges as though fully set forth herein the allegations of paragraphs 1 through 42, inclusive.

Answer No. 43

Motorola repeats and incorporates by reference its responses to Paragraphs 1 through 42 as its response to Paragraph 43.

Complaint No. 44

The above acts of Defendants constitute false advertising under Section 43 of the Lanham Act, 15 U.S.C. § 1125.

1 **Answer No. 44**

2 Motorola denies each and every allegation in Paragraph 44.

3 **Complaint No. 45**

4 Defendants are falsely advertising XOOM product offerings as emanating from Motorola by
5 such acts as buying the keyword “Xoom” to place ads on Google for the Xoom product offerings of
6 Defendants, and by claiming to be the “Xoom — Official Site.” Such acts falsely lead consumers to
7 believe that Defendants’ product offerings are affiliated or associated with, originate from, or are
8 sponsored, or approved by Xoom or that Xoom is affiliated or associated with Motorola, when that
9 is not the case.

10 **Answer No. 45**

11 Motorola denies each and every allegation in Paragraph 45.

12 **Complaint No. 46**

13 Xoom is informed and believes, and on that basis alleges, that Defendants inform the
14 marketplace that Defendants offer Official Xoom product offerings. These misrepresentations were
15 made in commercial advertising or promotion of Defendants’ products, are false and/or misleading
16 and do not properly represent the nature or characteristics of Defendants’ product offerings.

17 **Answer No. 46**

18 Motorola denies each and every allegation in Paragraph 46.

19 **Complaint No. 47**

20 Defendants’ false and/or misleading statements, which Defendants have made or caused to
21 be made in interstate commerce, have actually deceived, and/or have the tendency to deceive a
22 substantial segment of the consuming public and the marketplace.

23 **Answer No. 47**

24 Motorola denies each and every allegation in Paragraph 47.

25 //

26 **Complaint No. 48**

27 Defendants’ deception is material, in that it is likely to influence the purchasing decisions of
28 the consuming public and the marketplace.

1 **Answer No. 48**

2 Motorola denies each and every allegation in Paragraph 48.

3 **Complaint No. 49**

4 Defendants' false and/or misleading statements made in connection with the distribution,
5 advertising and/or sale of its products constitutes false advertising in violation of 15 U.S.C. § 1125.

6 **Answer No. 49**

7 Motorola denies each and every allegation in Paragraph 49.

8 **Complaint No. 50**

9 Xoom is informed and believes, and on that basis alleges, that Defendants' actions were
10 done with full knowledge, and with the intent to deceive the purchasing public and that these
11 statements have actually deceived or have a tendency to deceive a substantial segment of the
12 purchasing public.

13 **Answer No. 50**

14 Motorola denies each and every allegation in Paragraph 50.

15 **Complaint No. 51**

16 Xoom has been injured and damaged by Defendants' conduct.

17 **Answer No. 51**

18 Motorola denies each and every allegation in Paragraph 51.

19 **Complaint No. 52**

20 Xoom has no adequate remedy at law. Defendants' conduct, as described herein, has caused
21 and, if not enjoined, will continue to cause irreparable damage to Xoom. As a result of Defendants'
22 conduct, Xoom is entitled to injunctive relief and damages.

23 **Answer No. 52**

24 Motorola denies each and every allegation in Paragraph 52.

25 **Complaint No. 53**

26 As a direct and proximate result of Defendants' unlawful conduct, Xoom has suffered and is
27 entitled to monetary damages in an amount not yet determined and is entitled to Defendants' profits.
28 Xoom is also entitled to its attorneys' fees and costs.

1 **Answer No. 53**

2 Motorola denies each and every allegation in Paragraph 53.

3 **Complaint No. 54**

4 Xoom is informed and believes, and on that basis alleges, that Defendants' acts were in
5 conscious and willful disregard of Xoom's trademark and trade name, and the resulting damage to
6 Xoom warrants treble damages.

7 **Answer No. 54**

8 Motorola denies each and every allegation in Paragraph 54.

9
10 **FOURTH CLAIM FOR RELIEF**
(UNFAIR BUSINESS PRACTICES—CAL. BUS. & PROF. CODE §§ 17200 ET SEQ.)

11 **Complaint No. 55**

12 Xoom incorporates by reference and realleges as though fully set forth herein the allegations
13 of paragraphs 1 through 54, inclusive.

14 **Answer No. 55**

15 Motorola repeats and incorporates by reference its responses to Paragraphs 1 through 54 as
16 its response to Paragraph 55.

17 **Complaint No. 56**

18 The above acts and practices of Defendants are likely to mislead the general public and,
19 thereby, constitute unfair and fraudulent business practices and unfair, deceptive, untrue and
20 misleading advertising in violation of California Business and Professions Code §§ 17200 *et seq.*
21 Defendants' conduct caused injury to Xoom resulting in loss of money or property and caused
22 injury in fact to Xoom resulting in loss of money or property.

23 **Answer No. 56**

24 Motorola denies each and every allegation in Paragraph 56.

25 **Complaint No. 57**

26 Xoom is entitled to relief against Defendants, including full restitution and/or disgorgement
27 of all profits and benefits that may have been obtained by Defendants as a result of such unfair,
28

1 deceptive and/or fraudulent business practices and unfair, deceptive, untrue and misleading
2 advertising.

3 **Answer No. 57**

4 Motorola denies each and every allegation in Paragraph 57.

5 **Complaint No. 58**

6 As a direct and proximate result of Defendants' unlawful conduct, Xoom has been, and will
7 continue to be, harmed, injured and/or damaged by Defendants' wrongful acts, and such harm,
8 injury and/or damage will continue unless Defendants' conduct is enjoined by the Court.

9 **Answer No. 58**

10 Motorola denies each and every allegation in Paragraph 58.

11 **FIFTH CLAIM FOR RELIEF**
12 **(TRADEMARK INFRINGEMENT—CAL. BUS. & PROF. CODE §14335)**

13 **Complaint No. 59**

14 Xoom incorporates by reference and realleges as though fully set forth herein the allegations
15 of paragraphs 1 through 58, inclusive.

16 **Answer No. 59**

17 Motorola repeats and incorporates by reference its responses to Paragraphs 1 through 58 as
18 its response to Paragraph 59.

19 **Complaint No. 60**

20 Xoom is informed and believes, and on that basis alleges that, Defendants have used, and
21 continue to use, the confusingly similar XOOM designation to promote their mobile computer and
22 related products and services for the purpose of enhancing the commercial value of, or selling or
23 soliciting purchases of, Defendants' products and services.

24 **Answer No. 60**

25 Motorola denies each an every allegation in Paragraph 60.
26
27
28

1 **Complaint No. 61**

2 As a direct and proximate result of Defendants' unlawful conduct, Xoom has been, and will
3 continue to be, harmed, injured and/or damaged by Defendants' wrongful acts, and such harm,
4 injury and/or damage will continue unless Defendants' conduct is enjoined by the Court.

5 **Answer No. 61**

6 Motorola denies each and every allegation in Paragraph 61.

7 **SIXTH CLAIM FOR RELIEF**
8 **(COMMON LAW UNFAIR COMPETITION)**

9 **Complaint No. 62**

10 Xoom incorporates by reference and realleges as though fully set forth herein the allegations
11 of paragraphs 1 through 61, inclusive.

12 **Answer No. 62**

13 Motorola repeats and incorporates by reference its responses to Paragraphs 1 through 61 as
14 its response to Paragraph 62.

15 **Complaint No. 63**

16 In addition to its rights under the Lanham Act and state statutory law, Xoom also has valid
17 and existing common law rights with respect to its XOOM mark and name.

18 **Answer No. 63**

19 Motorola denies each and every allegation in Paragraph 63.

20 **Complaint No. 64**

21 The above acts of Defendants constitute unfair competition under common law.

22 **Answer No. 64**

23 Motorola denies each and every allegation in Paragraph 64.

24 **Complaint No. 65**

25 Defendants' use of Xoom's XOOM mark and name in connection with the distribution,
26 advertising, promotion, offering for sale and/or sale of XOOM mobile computer and related product
27 offerings, are likely to cause confusion and, on information and belief, have caused confusion as to
28 the source of Defendants' and Xoom's product offerings in that customers will be likely to associate

1 or have associated the product offerings of Xoom and Defendants when no such association or
2 affiliation exists, all to the detriment of Xoom.

3 **Answer No. 65**

4 Motorola denies each and every allegation in Paragraph 65.

5 **Complaint No. 66**

6 Xoom is informed and believes, and on that basis alleges that, the above acts of Defendants
7 were and continue to be willful and malicious and undertaken with the deliberate intent to mislead
8 the public and injure the business of Xoom. Xoom thereby should be awarded exemplary damages
9 based upon common law unfair competition principles.

10 **Answer No. 66**

11 Motorola denies each and every allegation in Paragraph 66.

12 **Complaint No. 67**

13 As a direct and proximate result of Defendants' unlawful conduct, Xoom has been, and will
14 continue to be, harmed, injured and/or damaged by Defendants wrongful acts, and such harm, injury
15 and/or damage will continue unless Defendants conduct is enjoined by the Court.

16 **Answer No. 67**

17 Motorola denies each and every allegation in Paragraph 67.

18 **Complaint No. 68**

19 Xoom is entitled to relief against Defendants, including full restitution and/or disgorgement
20 of all profits and benefits that may have been obtained by Defendants as a result of such unfair
21 competition.

22 **Answer No. 68**

23 Motorola denies each and every allegation in Paragraph 68.

24 **Complaint No. 69**

25 Xoom is informed and believes, and on that basis alleges, that Defendants' conduct is
26 willful, wanton, malicious, oppressive, and in conscious disregard of Xoom's rights in its XOOM
27 mark and trade name, justifying punitive and exemplary damages under California Civil Code §
28 3294.

1 **Answer No. 69**

2 Motorola denies each and every allegation in Paragraph 69.

3
4 **AFFIRMATIVE DEFENSES**

5 **First Affirmative Defense**

6 Plaintiff's Complaint fails to state a claim upon which relief can be granted.

7 **Second Affirmative Defense**

8 Any rights owned by Plaintiff are extremely weak, as the term XOOM is highly-diluted
9 because it has been used for many years by many third-parties. As such, any rights owned by
10 Plaintiff are too narrow to stop the complained of use here.

11 **Third Affirmative Defense**

12 Motorola uses its famous house mark MOTOROLA with the word XOOM for Motorola's
13 mobile computer and related accessories, and, therefore, there is no likelihood that consumers
14 would be confused.

15 **Fourth Affirmative Defense**

16 Plaintiff's claims are barred under the equitable doctrine of laches, estoppel, waiver and
17 acquiescence.

18 **Fifth Affirmative Defense**

19 Plaintiff's claims are barred by unclean hands. Specifically, Plaintiff has applied for an
20 intent-to-use trademark in the U.S. Patent and Trademark Office (Serial No. 85225008) for XOOM
21 covering "computer software for facilitating money transfer services, electronic funds transfer
22 services, bill payment remittance services, electronic processing and transmission of payments and
23 payment data" for the sole purpose of interfering with Motorola, even though Plaintiff does not
24 have a bona fide intent to use the mark XOOM for those goods. Furthermore, Plaintiff falsely
25 alleges in the Complaint that it offers "products" under the XOOM mark, even though it offers no
26 products, but only money transfer services. Plaintiff's money transfer services are dissimilar to the
27 products Motorola offers, which are mobile computers and related accessories.

1 Motorola gives notice that it intends to rely on other affirmative defenses as they may
2 become available or apparent during the course of discovery and reserves the right to amend its
3 Answer to assert those defenses.

4
5 WHEREFORE, Defendants Motorola Trademark Holdings, LLC, Motorola Mobility, Inc.
6 and Motorola Mobility Holdings, Inc. pray for dismissal of all claims against them, for judgment in
7 their favor, and for an award of attorneys' fees as the prevailing party pursuant to 15 U.S.C. § 1117.

8 Dated: November 18, 2011

Respectfully submitted,

9
10 MOTOROLA TRADEMARK HOLDINGS, LLC,
11 MOTOROLA MOBILITY, INC.,
and MOTOROLA MOBILITY HOLDINGS, INC.

12
13 By: Cathay Y. N. Smith
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