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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

AMIGA, INC., a Delaware corporation,  
  
Plaintiff,  
  
v.  
  
HYPERION VOF, a Belgium corporation,  
  
Defendant.

No. 07-0631-RSM

**HYPERION’S MEMORANDUM IN  
OPPOSITION TO AMIGA  
DELAWARE’S MOTION FOR  
JUDGMENT ON THE PLEADINGS**

**Note on Motion Calendar: July 27, 2007**

**I. INTRODUCTION**

COMES NOW defendant/counterclaimant Hyperion VOF and, for the following reasons, opposes Amiga Delaware’s Motion for Judgment on the Pleadings to Dismiss Hyperion’s Sixth and Seventh Counterclaims. First, in order to have standing to assert a claim for false designation of origin under 15 USC §1125(a), the claimant need not be either the registrant or the owner of the mark. Instead, the claimant need merely be “any person who believes that he or she is likely to be damaged” by the wrongful conduct. Id. Since Hyperion fulfills that requirement, it has standing to sue.

Second, because Hyperion is the successor and/or assign of Amiga Washington, it is the registrant for purposes of 15 USC §1114(1) and may assert a claim for trademark infringement

**HYPERION REPLY IN SUPPORT OF MOTION TO JOIN ITEC,  
LLC AS COUNTERCLAIM DEFENDANT - 1  
Cause No: 07-0631-RSM**

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1 under that section of the Lanham Act. This conclusion is buttressed by the fact that Amiga  
2 Delaware has yet to be recognized by the US PTO as the official registrant of any Amiga  
3 trademark. Third, Hyperion is the owner of AmigaOS pursuant to the terms of the 3 November  
4 2001 Agreement. Hyperion is, therefore, entitled to assert a claim under 15 USC §1125(c) for  
5 trademark dilution. Fourth, in addition to the claims under the Lanham Act, Hyperion has  
6 asserted common law trademark claims based on its rights as the first or senior user of the  
7 Amiga marks, e.g., AmigaOS, AmigaOne and the graphic BoingBall.  
8

9 In sum, Hyperion submits that its counterclaims fulfill the requirements for stating valid  
10 statutory and common law trademark claims under the notice-pleading requirements of the  
11 Federal Rules of Civil Procedure. However, to the extent that the Court may conclude that any  
12 one of those claims may be technically deficient in some manner, Hyperion asks the Court to  
13 grant it permission to file an amended set of counterclaims to remedy said deficiency. Finally,  
14 because Hyperion has no objection to adding Eyetech Group to the suit, this request for  
15 permission to amend includes the addition of Eyetech as a party to the suit, if the Court deems  
16 it feasible and/or necessary to do so.

## 17 II. FACTS

### 18 A. AMIGA DELAWARE IS NOT THE REGISTRANT OF THE RELEVANT 19 TRADEMARKS

#### 20 1. The US PTO Has Not Recognized the Assignment of Amiga Washington's 21 Trademark Rights to Amiga Delaware

22 In paragraphs 22, 23 and 24 of its Complaint (Dkt 1), Amiga Delaware laid implicit  
23 claim to three earlier "Amiga" trademark registrations that were filed by previous entities.  
24 However, as of July 18, 2007, the US PTO's Trademark Electronic Search System ("TESS")  
25 listed the owner of each of those three registered trademarks as Amiga, Inc., a Washington  
26 Corporation. (Declaration of William A. Kinsel in Opposition to Amiga Delaware's Motion

1 for Judgment on the Pleadings, hereinafter “Kinsel Dec.,” at Ex. F, p. 33, Ex. G, p. 39 & Ex. H,  
2 p. 45.) This failure to reflect Amiga Delaware as the registrant persists despite the fact that  
3 Amiga Delaware has filed “corrective assignments” with the US PTO as recently as *June 26,*  
4 *2007.* (Kinsel Dec., ¶¶7 to 9, Ex. F, p. 36 (Assignment 5), Ex. F, p. 37 (Assignment 8), Ex. G,  
5 p. 42 (Assignments 5 & 7), Ex. G, p. 43 (Assignment 9), Ex. H, p. 47 (Assignment 3).) While  
6 Hyperion is not privy to the thought processes of the US PTO, perhaps its hesitancy relates to  
7 the fact that one “corrected assignment” has Amiga, Inc., a Washington corporation,  
8 confirming on June 26, 2007, that it had conducted that corrected assignment, even though that  
9 corporation had ceased to exist on September 30, 2004, or perhaps to the fact that one of the  
10 chains of assignment fails to reflect any assignment between the initial registrant (Amiga  
11 Washington) and the supposed, subsequent assignee (KMOS). (Kinsel Dec., ¶¶8 & 9; Ex. G, p.  
12 42; Ex. H, p. 47.)

14 **2. The US PTO Has Issued a Final Refusal to Register Five Trademark**  
15 **Applications Filed by Amiga Delaware**

16 In paragraph 25 of Amiga Delaware’s Complaint (Dkt 1), plaintiff states that on July  
17 28, 2006, it filed two trademark applications for a stylized “Amiga” logo and for the graphic  
18 Amiga “Boing Ball.” (Kinsel Dec., ¶¶2-3.) Amiga Delaware failed to mention that it had filed  
19 three other trademark applications as well for the basic word mark “Amiga,” for “Amiga  
20 Enabled,” and for “Amiga Anywhere.” (Kinsel Dec., ¶¶4-6 and Exs. C, D & E.) Regardless,  
21 on July 11 and 12, 2007, the US PTO issued the same summary ruling for each of these  
22 applications: “Current Status: An office action making FINAL a refusal to register the mark  
23 has been mailed.” (Kinsel Dec., ¶¶2 to 6, at Ex. A, p. 8; Ex. B, p. 14; Ex. C, p. 20; Ex. D, p.  
24 25; and Ex. E, p. 30.) In sum, as of the writing of this brief, Amiga Delaware appears to be the  
25 official registrant for no Amiga trademarks.  
26

1 **B. HYPERION FIRST BEGAN USING THE AMIGA MARKS IN 2001**

2 As testified to in the Declaration of Evert Carton in Opposition to Amiga Delaware's  
3 Motion for Judgment on the Pleadings, hereinafter "Carton Dec.," and as demonstrated by  
4 Exhibits A to C attached thereto, Hyperion began using in commerce the AmigaOS and  
5 AmigaOne word marks, and the "BoingBall" graphic mark, promptly after the completion of  
6 the 3 November 2001 Agreement, and it has continuously done so ever since. This use  
7 necessarily preceded the first use of KMOS, Inc., now known as Amiga Delaware, because  
8 Amiga Delaware has admitted that it did not exist at the time that the 3 November 2001  
9 Agreement was signed. (Dkt 39, Counterclaim ¶6 on p. 10; Dkt 49, Reply, ¶6 on p. 2.)

10  
11 **C. HYPERION IS THE SUCCESSOR OR ASSIGN (I.E., THE REGISTRANT) OF THE AMIGA TRADEMARKS**

12 The 3 November 2001 Agreement reads in part as follows:

13 2.07 **Bankruptcy.** In the event Amiga files for bankruptcy or becomes insolvent,  
14 the Amiga One Partners are granted an exclusive, perpetual, world-wide and  
15 royalty free right and license to develop (at their sole expense), use, modify and  
market the Software and OS 4 under the "Amiga OS" Trademark.

16 (Declaration of Evert Carton in Opposition to the Motion for Preliminary Injunction, Dkt 26,  
17 Ex. 2, p. 42). As previously reviewed in the opposition to the motion for a preliminary  
18 injunction, the evidence shows that Amiga Washington was insolvent prior to April 24, 2003,  
19 when the Itec Contract was signed, that Amiga Washington therefore had no rights to transfer  
20 to Itec on April 24, 2003, and that therefore Amiga Delaware has no rights under the November  
21 3, 2001 contract. (Declaration of William A. Kinsel in Opposition to Amiga Delaware's  
22 Motion for Preliminary Injunction, Dkt 25, Ex. A, p. 11, at dep. pp 12-14; Ex. B, pp. 18-22.)  
23 Furthermore, Amiga Washington's corporate status expired on September 30, 2004. (Dkt 25,  
24 Ex. C.) In short, Amiga Washington simply no longer exists. Under the provisions of §2.07 of  
25 the 3 November 2001 Agreement, Hyperion and Eyetech (referred to by the contractually-  
26

1 defined term “Amiga One Partners”) became either or both the successors or assigns of Amiga  
 2 Washington to the entirety of the Software (defined by contract to include OS 3.1, 3.5, 3.9 and  
 3 the associated “Boing Bags”), OS 4, and the “Amiga OS” trademark. (Dkt 26, Ex. 2, p. 41.) A  
 4 similar transfer of interests took place under the “Contingency” provision, at §2.08 of the 3  
 5 November 2001 Agreement (Dkt 26, Ex. 2, p. 42) because of “Amiga’s” failure to issue a  
 6 substantially new version of the Classic Amiga OS within 6 months of the completion of OS  
 7 4.0 by Hyperion.

8 **D. HYPERION OWNS AmigaOS**

9 Hyperion was not paid \$25,000 within 6 months of completion of OS 4.0 by Hyperion,  
 10 as was required by the 3 November 2001 Agreement. (Carton Dec., Dkt 26, ¶¶40-46, Exs. 13,  
 11 14, & 15.) Because of this failure to pay \$25,000, the following provisions of the 3 November  
 12 2001 Agreement came into play:

13 Amiga may, at any time but no later than six (6) months after the  
 14 completion of OS 4.0, elect to pay Hyperion Twenty Five Thousand  
 15 USD (25,000 USD) in order to acquire the Object Code, Source Code  
 16 and intellectual property of OS 4.0 pursuant to and within the limits set  
 17 out in article 2.06 hereof. Said payment will be first be applied against  
 18 the balance of any outstanding invoices by the AmigaOne Partners vis à  
 19 vis Amiga. In the event Amiga does not elect to carry out the  
 20 aforementioned payment, all ownership and title in the enhancements of  
 21 and additions to the Software effected by Hyperion and its  
 22 subcontractors pursuant to this Agreement, shall rest with Hyperion.

23 (Dkt 26, Ex. 2, p. 42, emphasis added.) Simply put, by operation of the Agreement, Hyperion  
 24 alone became the owner of the Object Code, Source Code and all intellectual property of  
 25 AmigaOS 4.0. This necessarily includes the right to call Hyperion’s product by its trademark,  
 26 specifically, AmigaOS 4.0. (Carton Dec., ¶12.)

27 **E. HYPERION AND EYTECH ARE NOT LEGAL PARTNERS**

28 Hyperion is not and has not been in a formal, legal partnership with Eyeteck. The  
 29 phrase “Amiga One Partners,” as used in the 3 November 2001 Agreement (*see* Dkt 26, at

1 Exhibit 2, page 40), is simply a defined term created for the purposes of that Agreement. That  
2 defined term did not create a new legal entity, as should be clear from the identification of the  
3 contracting parties at the beginning of the Agreement, at Dkt 26, Exhibit 2, p. 40, and from  
4 paragraph 4.05 of the same. (Carton Dec., ¶11.)

5 **III. ARGUMENT**

6 **A. LEGAL STANDARDS**

7 Federal Rule of Civil Procedure 12(c) reads as follows:

8 **(c) Motion for Judgment on the Pleadings.** After the pleadings are closed  
9 but within such time as not to delay the trial, any party may move for judgment on  
10 the pleadings. If, on a motion for judgment on the pleadings, matters outside the  
11 pleadings are presented to and not excluded by the court, the motion shall be treated  
12 as one for summary judgment and disposed of as provided in Rule 56, and all parties  
13 shall be given reasonable opportunity to present all material made pertinent to such a  
14 motion by Rule 56.

15 Furthermore, in assessing a motion for judgment on the pleadings, it is necessary to keep in  
16 mind that:

17 Under the liberal federal pleading policies, a plaintiff need only give  
18 defendant fair notice of the claims against it. Conley v. Gibson, 355 U.S. 41, 47, 78  
19 S.Ct. 99, 102, 2 L.Ed.2d 80 (1957). A complaint should only be dismissed where,  
20 assuming all allegations as true in the light most favorable to plaintiff, it appears  
21 beyond doubt that no set of facts could support plaintiff's claim for relief. *Id.*;  
22 Durning v. First Boston Corp., 815 F.2d 1265, 1267 (9<sup>th</sup> Cir. 1987), *cert denied* 484  
23 U.S. 944, 108 S.Ct. 330, 98 L.Ed.2d 358 (1987).

24 Ultrasure Systems, Inc. v. Ham-Let Group, 921 F.Supp. 659, 665 (USDC, N.D. CA 1996).

25 **B. HYPERION HAS NO OBJECTION TO THE JOINDER OF EYETECH, IF THE  
26 COURT DETERMINES THAT JOINDER IS NECESSARY**

Hyperion notes that it originally asserted that Eyetech was a necessary party in its  
opposition to Amiga Delaware's Motion for Preliminary Injunction. Hyperion further states  
that it has no objection to an order concluding that Eyetech should be joined in this action if  
feasible. However, as discussed in more detail below, Hyperion does not agree that Eyetech is  
a necessary party to providing Hyperion with standing to sue Amiga Delaware on Hyperion's

1 trademark counterclaims. Furthermore, given the obvious expense involved in this litigation,  
2 Hyperion is reluctant to “volunteer” Eyetech as a party defendant/counterclaimant.

3 The burden to prove that Eyetech is a necessary party with respect to Hyperion’s  
4 trademark counterclaims rests upon the moving party, here Amiga Delaware. Ferrofluidics  
5 Corp. v. Advanced Vacuum Components, Inc., 789 F.Supp. 1201, 1208 (USDC, DNH 1992),  
6 *affirmed* 968 F.2d 1463 (1<sup>st</sup> Cir. 1992). If the Court does determine that Eyetech is a necessary  
7 party, the proper remedy is an order requiring the joinder of Eyetech, and not the dismissal of  
8 Hyperion’s counterclaims, as the philosophy behind Rule 19 is to avoid dismissal whenever  
9 possible. Heath v. Aspen Skiing Corp., 325 F.Supp. 223, 229 (USDC, D.Colo. 1971).

10  
11 **C. ANY PARTY DAMAGED BY A FALSE DESIGNATION OF ORIGIN MAY  
12 BRING A §1125(A) CLAIM UNDER THE LANHAM ACT**

13 Amiga Delaware pays scant attention to its attempt to dismiss Hyperion’s claim for  
14 false designation of origin under 15 USC §1125(a) because it knows that the statute does not  
15 support its argument:

16 (1) Any person who, on or in connection with any goods or services, or any container  
17 for goods, uses in commerce any word, term, name, symbol, or device, or any  
18 combination thereof, or any false designation of origin, false or misleading  
19 description of fact, or false or misleading representation of fact, which--

20 (A) is likely to cause confusion, or to cause mistake, or to deceive as to the  
21 affiliation, connection, or association of such person with another person, or as  
22 to the origin, sponsorship, or approval of his or her goods, services, or  
23 commercial activities by another person, or

24 (B) in commercial advertising or promotion, misrepresents the nature,  
25 characteristics, qualities, or geographic origin of his or her or another person's  
26 goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is or is  
likely to be damaged by such act.

(Underlined emphasis added.) The case law confirms the conclusions that flow naturally from  
the plain language of the statute:



1 The remaining relevant portion of the Lanham Act, §43(a), 15 U.S.C.  
 2 §1125(a), prohibits the use of false designations of origin, false descriptions, and  
 3 false representations in the advertising and sale of goods and services. Waits v.  
 4 Frito-Lay, Inc., 978 F.2d 1093, 1106 (9<sup>th</sup> Cir. 1992). Unlike §32(1), which grants a  
 5 right of action solely to the registrant of a trademark, §43(a) permits “any person  
 6 who believes that he or she is likely to be damaged” by the proscribed conduct to  
 7 bring a civil action. 15 U.S.C. §1125(a). Where a plaintiff might lack standing  
 8 under §32, a plaintiff may yet have standing to bring an action under §43(a).  
 9 Murphy v. Provident Mutual Life Ins. Co., 756 F.Supp. 83, 86 (D.Conn.) (“[T]he  
 10 question of ownership is immaterial to standing under §43(a), since standing may lie  
 11 with mere users of trademarks.”), *aff’d*, 923 F.2d 923 (2d Cir. 1990); Silverstar  
 12 Enters., Inc. v. Aday, 537 F.Supp. 236, 241 (S.D.N.Y. 1982)(holding that because  
 13 §1125(a) is broader than §1114, users of trademarks who are not owners of the  
 14 marks might have standing).

15 National Licensing Association v. Inland Joseph Fruit Company, 361 F.Supp.2d 1244, 1256  
 16 (USDC, ED WA 2004). Here, because Hyperion has broad commercial interests in the Amiga  
 17 trademarks (i.e., AmigaOS, AmigaOne and the “BoingBall”), Hyperion easily meets these  
 18 standing requirements. (Carton Dec., ¶¶2-12 and Exhibits A to C; Hyperion’s Counterclaims,  
 19 Dkt 39, ¶¶5-73.)

20 The efforts Amiga Delaware does make to try to overcome Hyperion’s standing rest  
 21 heavily on the allegation that Eyetech is a necessary party. That assertion in turn rests on the  
 22 incorrect conclusion that Hyperion’s trademark claims are based solely on the 3 November  
 23 2001 Agreement. (*See* Amiga Delaware’s Motion for Judgment on the Pleadings at p. 8, ll. 12-  
 24 14.) In fact, Hyperion’s §1125(a) claim rests independently on that Agreement and on the  
 25 common law trademark doctrine of first use. (Hyperion’s Counterclaims, Dkt 39, ¶65; Carton  
 26 Dec., ¶¶2-10, Exhibits A to C.) Because that first use has created independent trademark  
 significance in AmigaOS, AmigaOne and the BoingBall with respect to Hyperion’s operating  
 system, Hyperion has independent standing to pursue this claim based on its “trademark user”  
 status. Quiksilver, Inc. v. Kymsta Corp., 466 F.3d 749, 754, 757-8 (9<sup>th</sup> Cir. 2006); Allard  
Enterprises v. Advanced Programming Resources, Inc., 249 F.3d 564, 571-572 (6<sup>th</sup> Cir. 2001).



1 Furthermore, the plain language of the statute, which grants the right to sue to “any  
 2 person,” does not require the joinder of “all persons” who are likely to be damaged by the  
 3 conduct of the alleged violator. This, then, leaves only Amiga Delaware’s argument that a  
 4 defined contractual term, namely “Amiga One Partners,” could in and of itself create a separate,  
 5 judicially-recognized partnership that compels both Hyperion and Eyetech to take all legal  
 6 action together. As Mr. Carton testifies, this argument is factually false, for Hyperion and  
 7 Eyetech did not intend to create a formal, legal partnership when they signed the 3 November  
 8 2001 Agreement. (Carton Dec., ¶11, the Agreement at Dkt. 26, Ex. 2, p. 40, and §4.05 of the  
 9 same. *See also* §III.H below.)

11 **D. A PARTY’S STATUS AS A “REGISTRANT” UNDER THE LANHAM ACT**  
 12 **PROVIDES SIGNIFICANT—YET STILL LIMITED—RIGHTS TO THE**  
 13 **HOLDER OF THAT REGISTRATION**

14 As the fact section of this brief demonstrates, Amiga Delaware cannot establish that it is  
 15 a registrant of any Amiga trademark. That problem, besides raising an interesting question  
 16 about the validity of plaintiff’s own claims under the Lanham Act, naturally leads one to an  
 17 examination of the significance of a “registration”:

18 An action for trademark infringement can only succeed if, among other  
 19 things, the plaintiff owns the mark. Registration provides prima facie evidence of  
 20 ownership, but this can be rebutted by competent evidence. *See* 15 U.S.C. §1115(a).  
 21 Ultimately, it is not the fact of registration that matters so much as the use of the  
 22 mark in commerce; “[b]y insisting that firms use marks to obtain rights in them, the  
 23 law prevents entrepreneurs from reserving brand names in order to make their rivals’  
 24 marketing more costly.” *Zazu Designs v. L’Oreal, S.A.*, 979 F.2d 499, 503 (7<sup>th</sup> Cir.  
 25 1992). Established use by a nonregistrant is a valid defense to a registrant’s  
 26 infringement claim. 15 U.S.C. §1115(b)(5).

27 Central Mfg., Inc. v. Brett, --- F.3d ---, 2007 WL 1965673 (7<sup>th</sup> Cir., July 9, 2007). And further:

28 At common law, ownership of trademark or service mark rights is obtained by actual  
 29 use. [Cite omitted.] The first to use a mark in the sale of goods or services is the  
 30 “senior user” of the mark and gains common law rights to the mark in the geographic  
 31 area in which the mark is used.

32 Ownership rights flow only from prior use—either actual or constructive.  
 33 Federal registration of a trademark or service mark cannot create rights and priority

1 over others who have previously used the mark in commerce, but federal registration  
2 is prima facie evidence of the registrant's ownership and exclusive right to use the  
3 mark, 15 U.S.C. §§1057(b), 1115(a), and constitutes constructive use of the mark.  
4 [Cite omitted.] "Constructive use" means that which establishes a priority date with  
5 the same legal effect as the earliest actual use of a trademark at common law. [Cite  
6 omitted.] In the typical case in which a senior user applies for the federal  
7 registration, "[c]onstructive use will fix a registrant's nationwide priority rights in a  
8 mark from the filing of its application for registration." *Id.* In the case in which a  
9 junior user applies for registration, however, the extent of the senior user/non-  
10 registrant's territory is frozen as of the date of actual registration to the junior user. 4  
11 McCarthy §§26:40, 25:53; Lanham Act §15, 15 U.S.C. §1065.

7 The territorial rights of a holder of a federally registered trademark are  
8 always subject to any superior common law rights acquired by another party through  
9 actual use prior to the registrant's constructive use. . . .

9 Allard Enterprises, 249 F.3d at 571-2 (underlined emphasis added).

10 In the case at bar, Hyperion is the senior user of the Amiga trademarks, as it was using  
11 them before KMOS, now known as Amiga Delaware, even came into existence. (Carton Dec.,  
12 ¶¶2 to 10, Exs. A to C.) Furthermore, as the *junior user*, Amiga Delaware's rights, if any can  
13 come into play only *upon the actual registration* of Amiga Delaware's trademarks. Since the  
14 US PTO has to date refused to grant any such registrations to plaintiff, Amiga Delaware has no  
15 such rights. (Kinsel Dec., ¶¶2-9, Exhibits A to H.)

16  
17 **E. HYPERION IS THE "REGISTRANT" UNDER THE LANHAM ACT FOR  
18 PURPOSES OF §1114(1)**

18 The Lanham Act, at 15 USC §1114(1), permits the "registrant" of a trademark to bring  
19 a statutory claim for trademark infringement. 15 USC §1127 states in turn that the "terms  
20 "applicant" and "registrant" embrace the legal representatives, predecessors, successors and  
21 assigns of such applicant or registrant." The question then becomes, is Hyperion a successor  
22 and/or assign of Amiga Washington?

23  
24 In responding to this question in the negative, Amiga Delaware relies on National  
25 Licensing Association v. Inland Joseph Fruit Company, 361 F.Supp.2d 1244, 1254 (USDC, ED  
26 WA 2004), for the proposition that a licensee of a trademark does not have standing to sue as a

1 registrant under §1114(1). In that case, however, National Licensing Association’s (“NLA”)  
2 license was nothing like Hyperion’s, for there NLA was “recipient of nothing more than the  
3 bare claims for trademark infringement,” and that was insufficient to bring suit for trademark  
4 infringement. *Id.*, at 1256. To put it differently, of all the “bundle of sticks” that made up the  
5 universe of trademark rights at issue in National Licensing, NLA owned *only one stick*, and that  
6 was the right to sue for prior infringements of the trademark rights held by other parties. NLA,  
7 could not, for instance, actually use the marks in commerce to further its own business ends. It  
8 was this limited license that was determined to be insufficient for purposes of §1114(1).

9  
10 By contrast, the relevant language of §2.07 of the 3 November 2001 Agreement is  
11 extremely broad:

12 2.07 **Bankruptcy.** In the event Amiga files for bankruptcy or becomes  
13 insolvent, the Amiga One Partners are granted an exclusive, perpetual, world-wide  
14 and royalty free right and license to develop (at their sole expense), use, modify and  
15 market the Software and OS 4 under the “Amiga OS” trademark.

16 (Dkt. 26, Ex. 2, p. 42.) Given the legal and geographic breadth of this grant of exclusive rights,  
17 including the rights to the “Software,” which is defined to include the Source Code of Amiga  
18 OS 3.1, 3.5, and 3.9, and the associated “BoingBags,” there appears to be nothing left for  
19 anyone else to possess. This is especially the case given the fact that Amiga Washington was  
20 insolvent and, as of September 30, 2004, no longer existed. (Carton Dec., ¶11; Dkt. 25, Ex. C,  
21 p. 23.) In sum Hyperion meets the common sense definition of the term “successor” or  
22 “assign” and is a registrant for purposes of 15 USC §1114(1), not only because of the language  
23 of §2.07, but also because of the rights acquired through §2.08, which are to very similar effect.  
24 (Dkt. 26, Ex. 2, p. 41.)

25 The case law supports Hyperion’s interpretation of the statutorily-defined term  
26 “registrant,” and of Hyperion’s contractual rights:

1 Title 15 U.S.C. §1114 permits civil actions for trademark infringement to be  
 2 brought by the “registrant” of the mark. The term registrant includes the legal  
 3 representative, predecessors, successors, and assigns of the registrant. 15 U.S.C.  
 4 §1127. Here, Plaintiff is an *exclusive licensee* to use Beach Boys trademarks to  
 5 perform at live concerts. Complaint ¶¶4, 51. This license was granted him by the  
 6 legal owner of the trademark, BRI. *Id.* The determination of whether a licensee has  
 7 standing to sue under §1114 depends largely on the rights granted to the licensee in  
 the licensing agreement. Typically, where the license is an exclusive license and  
 does not set forth any restrictions on the licensee's ability to enforce the trademark,  
 the licensee has standing to sue for infringement. Ultrapure Systems, Inc. v. Ham-  
Let Group, 921 F.Supp. 659, 665-666 (N.D. Cal. 1996). Under such circumstances,  
 the licensee does have a property interest in the trademark and qualifies as an  
 assignee or successor of the registrant. *Id.*

8 Love v. The Mail on Sunday, 2006 WL 4046180 (C.D.Cal., 2006). Here, Amiga Washington  
 9 granted Hyperion an exclusive license in the AmigaOS trademark and OS 4.0, etc.

10 Furthermore, that license does *not* set forth any limitations on Hyperion’s ability to enforce the  
 11 same. Hyperion has, as a result, the right to sue Amiga Delaware for trademark infringement  
 12 under §1114(1).<sup>1</sup>

13 **F. HYPERION IS THE OWNER OF THE AmigaOS TRADEMARKS AND HAS**  
 14 **STANDING TO SUE FOR TRADEMARK DILUTION UNDER §1125(C)**

15 Just as with the claim for false designation of origin under §1125(a), and the claim for  
 16 trademark infringement under §1114(1), the precise language of 15 USC §1125(c) must be  
 17 scrutinized to determine who has standing to sue for statutory trademark dilution:

18 Subject to the principles of equity, the owner of a famous mark that is distinctive,  
 19 inherently or through acquired distinctiveness, shall be entitled to an injunction  
 20 against another person who, at any time after the owner's mark has become  
 21 famous, commences use of a mark or trade name in commerce that is likely to  
 22 cause dilution by blurring or dilution by tarnishment of the famous mark,  
 23 regardless of the presence or absence of actual or likely confusion, of competition,  
 24 or of actual economic injury.

25  
 26 <sup>1</sup> The paragraphs alleging the facts pertinent to Hyperion’s status as a successor or assign of  
 Amiga Washington include those found at Dkt 39, Counterclaim ¶¶5-9, 21, 24, 37, 63-64, 69.

1 (Emphasis added.) Amiga Delaware cites to Love v. The Mail on Sunday, 2006 WL 4046180,  
2 at p. 14, to support its motion for judgment on the pleadings, yet that case simply confirms that  
3 the focus of the analysis is on whether the claimant is the “owner” of the mark:

4           Defendants moved to dismiss on the ground that Plaintiff lacks standing to  
5 bring a claim for trademark dilution because he is only an exclusive licensee of  
6 the mark, and not the owner of the mark. Because the statute grants standing to  
sue only to the “owner of the famous mark,” Plaintiff lacks standing to bring this  
claim.

7 Id. Yet, the 3 November 2001 Agreement specifically states that Hyperion (and Hyperion  
8 alone) becomes the owner of AmigaOS 4.0 upon the happening of certain specified events:

9           3.01 Amiga may, at any time but no later than six (6) months after the completion  
10 of OS 4.0, elect to pay Hyperion Twenty Five Thousand USD (25,000 USD) in  
11 order to acquire the Object Code, Source Code and intellectual property of OS 4.0  
12 pursuant to and within the limits set out in article 2.06 hereof. Said payment will  
13 first be applied against the balance of any outstanding invoices by the AmigaOne  
Partners vis a vis Amiga. In the event Amiga does not elect to carry out the  
14 aforementioned payment, all ownership and title in the enhancements of and  
additions to the Software effected by Hyperion and its subcontractors pursuant to  
this Agreement, shall rest with Hyperion.

15 (Dkt 26, Ex. 2, p. 42, underlined emphasis added.) This provision of the Agreement makes  
16 clear that, before any payment of \$25,000, Hyperion was the owner of the intellectual property  
17 it created and, if Amiga failed to make that payment, Hyperion *remained* the owner of said  
18 intellectual property, including necessarily the right to call it by name, specifically, AmigaOS  
19 4.0. (Carton Dec., ¶13.) Furthermore, Hyperion has succeeded in making the marks famous.

20 (Carton Dec., ¶7.) Finally, the essential facts needed for this cause of action are pled at Dkt 39,  
21 Counterclaim ¶¶29, 35, 37(d), and 64 to 70.

22 **G. HYPERION HAS PLED COMMON LAW CLAIMS FOR INFRINGEMENT**  
23 **AND DILUTION**

24 Amiga Delaware’s motion simply assumes that Hyperion’s trademark claims are limited  
25 to statutory causes of action under the Lanham Act. Perhaps the titles to Counterclaims 6 and 7  
26 have something to do with that mistake, as those titles mention the Lanham Act. Yet, the actual

1 paragraphs of those causes of action make specific allegations of and to Hyperion's common  
 2 law rights of first use. (Dkt. 39, Counterclaim ¶¶ 65 & 68 in Claim 6, and the "re-allegation"  
 3 paragraph of Claim 7.) Because the statutory rights granted by the Lanham Act are subject to  
 4 the superior rights of "senior users," Hyperion has alleged valid common law causes of action  
 5 for trademark infringement, dilution and false designation of origin. Allard, 249 F.3d at 571-  
 6 72; Quiksilver, 466 F.3d at 754-58; Central Manufacturing, 2007 WL 1965673 at p.5.

7  
 8 **H. HYPERION HAS STANDING TO BRING ITS TRADEMARK CLAIMS WITH  
 OR WITHOUT EYTECH**

9 Again, while Hyperion has no objection to joining Eyeteck to this suit, it does deny that  
 10 it is in a formal partnership with that English company. (Carton Dec., ¶11.) In addition,  
 11 Hyperion claims ownership to the Amiga trademarks through §3.01 of the 3 November 2001  
 12 Agreement, which confirms and "rests" all ownership and title to the stated intellectual  
 13 property in Hyperion alone (subject to the rights of its contractors). (Carton Dec, ¶13.) Indeed,  
 14 the fact that §3.01 of the Agreement vests distinct and valuable property in Hyperion alone, as  
 15 opposed to the "Amiga One Partners," establishes that there was no intent to form a  
 16 partnership. RCW 25.05.060 ("Property acquired by a partnership is property of the  
 17 partnership and not of the partners individually.") Likewise, the fact that Hyperion and  
 18 Eyeteck each signed the Agreement in its individual capacity, rather than as a "partner" of  
 19 "Amiga One Partners," (Dkt 26, Ex. 2, p. 46), and that different obligations were imposed on  
 20 Hyperion and Eyeteck (e.g., id. at p. 41, §2.02), establishes the lack of any intent to form such a  
 21 partnership. Kintz v. Read, 28 Wash.App. 731, 734, 626 P.2d 52 (1981)(Existence of a  
 22 partnership depends upon the intention of the parties.).

23  
 24 Indeed, one has to wonder if Amiga Delaware is truly serious about its contention that  
 25 "Amiga One Partners" is a separate legal entity, for that result makes the "partnership" the  
 26

1 actual contracting party in the 3 November 2001 Agreement, and that in turn has obvious  
2 implications for plaintiff's claims against Hyperion:

3 A partner is not a co-owner of partnership property and has no interest in  
4 partnership property which can be transferred, either voluntarily or involuntarily.

5 RCW 25.05.200. Put simply, if Amiga Delaware is right, then Hyperion could not transfer OS  
6 4.0 to it under any circumstances, even if plaintiff ultimately won this suit.

7 **I. HYPERION'S NOTICE REGARDING A POTENTIAL CLAIM TO CANCEL  
8 FUTURE AMIGA TRADEMARK REGISTRATIONS UNDER 15 USC §1119**

9 As demonstrated in the Fact section, Amiga Delaware is not recognized by the US PTO  
10 as an official registrant for any Amiga trademark. Thus, there is currently no need (or basis)  
11 for Hyperion to assert a claim under 15 USC §1119 to cancel Amiga Delaware's registration(s).

12 To avoid any assertions by Amiga Delaware that it is prejudiced by any alleged undue delay  
13 from a motion to amend to add such a cause of action, however, Hyperion hereby provides  
14 notice that it may seek to bring such a claim, if the US PTO does in fact register any of Amiga  
15 Delaware's pending applications.

16 **J. TO THE EXTENT THE COURT DEEMS IT APPROPRIATE, HYPERION  
17 REQUESTS PERMISSION TO FILE AMENDED COUNTERCLAIMS**

18 Hyperion submits that its Counterclaims satisfy the notice-pleading requirements of the  
19 Federal Rules of Civil Procedure to allege trademark infringement, dilution and false  
20 designation of origin claims under both the Lanham Act and common law. If the Court  
21 disagrees with that conclusion in any regard, however, Hyperion respectfully requests the  
22 Court's permission to file amended counterclaims to address those deficiencies.

23 ///

24 ///

25 ///



**IV. CONCLUSION**

For all of the foregoing reasons, Hyperion asks this Court to deny Amiga Delaware's Motion for Judgment on the Pleadings.

DATED this 23rd day of July, 2007.

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