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8 **United States District Court**
9 **Central District of California**
10 **Western Division**
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12 LECHARLES BENTLEY, *et al.*,

CV 16-03693 TJH (KSx)

13 Plaintiffs,

14 v.

Order

15 NBC UNIVERSAL, LLC, *et al.*,

[49]

16 Defendants.
17

18 The Court has considered Defendants' motion to dismiss for failure to state a
19 claim, together with the moving and opposing papers.

20 LeCharles Bentley, a former NFL player, and O-Line Academy, LLC ["O-Line"]
21 sell sports and fitness training services, nutritional services, dietary programs,
22 equipment, and apparel. While Bentley and O-Line appear to be working together, it
23 is not clear what their relationship is to each other. Nevertheless, they developed a
24 mark consisting of the letters L and B ["LB mark"] to identify their business. There
25 are two versions of the LB mark – one is red and the other is black and white. Bentley
26 and O-Line first used the LB mark in connection with their business in January, 2013,
27 and, then, they used it in commerce starting in April, 2013.

28 In March, 2014, the black and white version of the LB mark was registered with

1 the United States Patent and Trademark Office by O-Line as a service mark and a
2 trademark. In July, 2015, Bentley filed an application for a service mark and a
3 trademark for the red version of the LB mark, but his application was denied because
4 of the likelihood of confusion with the black and white version of that mark. According
5 to Bentley, the trademark examiner “failed to realize the common ownership” of both
6 versions of the mark.

7 On January 14, 2016, Bentley and O-Line filed this action against Defendants
8 NBC Universal, Inc., Shine Television, LLC, BL4 Productions, Inc., and Universal
9 Television, LLC [collectively, “NBC”] in the Eastern District of Ohio alleging
10 trademark infringement under 15 U.S.C. § 1114, trademark dilution under 15 U.S.C.
11 § 1125, common law trademark infringement, contributory trademark infringement,
12 false designation of origin, and a violation of Ohio’s Deceptive Trade Practices Act.
13 In their First Amended Complaint, Bentley and O-Line allege that, around January,
14 2016, NBC started using a logo which was very similar to the LB mark in connection
15 with the reality show, *The Biggest Loser*. As alleged, the state law claims are based on
16 Ohio law.

17 On May 25, 2016, NBC’s motion to transfer venue to the Central District of
18 California was granted. Now, NBC moves to dismiss for failure to state a claim the
19 trademark dilution claim as to both Bentley and O-Line, and the trademark infringement
20 claim only as to Bentley.

21 Dismissal under Fed. R. Civ. P. 12(b)(6) is proper when a complaint exhibits
22 either a “lack of a cognizable legal theory or the absence of sufficient facts alleged
23 under a cognizable legal theory.” *Balistreri v. Pacifica Police Dept.*, 901 F.2d 696,
24 699 (9th Cir. 1988). To sufficiently state a claim, a plaintiff must allege “enough facts
25 to state a claim to relief that is plausible on its face,” *Bell Atlantic Corp. v. Twombly*,
26 550 U.S. 544, 570 (2007), so that the defendant receives “fair notice of what the . . .
27 claim is and the grounds upon which it rests.” *Twombly*, 550 U.S. at 555. Further,
28 all inferences must be drawn in favor of the plaintiff. *Ashcroft v. Iqbal*, 556 U.S. 662,

1 678 (2009).

2 For a trademark to be protectable, it must be distinctive. *Zobmondo Entm't.,*
3 *LLC v. Falls Media, LLC*, 602 F.3d 1108, 1113 (9th Cir. 2010). Distinctiveness
4 measures the significance of the mark to the purchasing public. *Zobmondo Entm't.*, 602
5 F.3d at 1113. When determining the distinctiveness of a trademark, the mark must be
6 viewed as a whole as it appears in the market. *Official Airline Guides, Inc. v. Goss*,
7 6 F.3d 1385, 1392 (9th Cir. 1993). All registered trademarks are presumed to be
8 distinctive. *Zobmondo Entm't.*, 602 F.3d at 1113.

9 Marks can be classified into one of five categories of decreasing distinctiveness:
10 (1) fanciful, (2) arbitrary, (3) suggestive, (4) descriptive, or (5) generic. *Two Pesos,*
11 *Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992). Fanciful, arbitrary, and
12 suggestive marks are “inherently distinct” because they automatically identify a
13 particular source of a product and, thus, are entitled to trademark protection. *Yellow*
14 *Cab Co. of Sacramento v. Yellow Cab of Elk Grove, Inc.*, 419 F.3d 925, 927 (9th Cir.
15 2005).

16 A trademark that is merely descriptive, that is a mark that describes the qualities
17 or characteristics of a good or service in a way not requiring the use of the imagination,
18 is not protectable unless the mark acquires a secondary meaning. *Yellow Cab*, 419 F.3d
19 at 927. A mark acquires a secondary meaning when, through use, it has become
20 uniquely associated with the specific source of a product. *Quicksilver, Inc. v. Kymsta*
21 *Corp.*, 466 F.3d 749, 760 (9th Cir. 2006). If a descriptive mark has acquired a
22 secondary meaning, it has “acquired distinctiveness” and is entitled to trademark
23 protection. *Quicksilver*, F.3d at 760. For example, marks comprised of initials are
24 descriptive and must acquire secondary meaning to be protectable. *CPP Ins. Agency,*
25 *Inc. v. Gen. Motors Corp.*, No. CV 79801 MML, 1980 WL 30349, at *4 (C.D. Cal.
26 Dec. 4, 1980), *aff'd sub nom. CPP Ins. Agency Inc. v. Gen. Motors Corp.*, 676 F.2d
27 709 (9th Cir. 1982).

28 Finally, generic marks are common terms, such as chair, and are not eligible for

1 trademark protection because they identify the product, not the product's source.
2 *Yellow Cab*, 419 F.3d at 927.

3 **§ 1114 Claim**

4 Bentley and O-Line assert a claim for trademark infringement under 15 U.S.C.
5 § 1114 as to both the registered black and white LB mark and the unregistered red LB
6 mark. Usually, the Lanham Act, 15 U.S.C. § 1051, *et seq.*, protects both registered
7 and unregistered trademarks. *Brookfield Commc'ns, Inc. v. W. Coast Entm't Corp.*,
8 174 F.3d 1036, 1046 n.6 (9th Cir. 1999). However, to state a claim for a violation of
9 § 1114, the trademark must be registered. *Wal-Mart Stores, Inc. v. Samara Bros.,*
10 *Inc.*, 529 U.S. 205, 209 (2000). An unregistered trademark with a pending registration
11 application does not qualify as a registered trademark. *JAT Wheels Inc. v. JNC Wheel*
12 *Collection*, No. CV 14-04898 JVS, 2014 WL 4568323 at *2 (C.D. Cal. Sept. 8, 2014).

13 The allegations in the complaint are ambiguous as to the registration status of the
14 red LB mark. One of the initial allegations alleges that the red LB mark's application
15 was pending, while a later allegation refers to both LB marks as registered trademarks.
16 In support of its motion to dismiss, NBC provided a copy of a screen shot from the
17 U.S. Patent and Trademark Office's website showing that the red LB mark's application
18 is still pending. The "[C]ourt may take judicial notice of matters of public record
19 without converting a motion to dismiss into a motion for summary judgment, as long
20 as the facts noticed are not subject to reasonable dispute." *Intri-Plex Techs., Inc. v.*
21 *Crest Grp., Inc.*, 499 F.3d 1048, 1052 (9th Cir. 2007) (internal quotations omitted).
22 The status of a trademark registration application filed with the U.S. Patent and
23 Trademark Office is a matter of public record. 37 C.F.R. § 1.11 (2012). Further,
24 Bentley and O-Line do not dispute that the red LB mark's application is still pending.
25 In fact, Bentley and O-Line are seeking leave to amend, if this motion is granted, in
26 anticipation that the red LB mark's trademark application would be granted in the near
27 future. Therefore, the Court will take judicial notice of the pending application status.

28 Accordingly, the § 1114 trademark infringement claim as to the unregistered red

1 LB mark will be dismissed without prejudice.

2 **Trademark Dilution Claim**

3 Because trademark dilution claims apply to both registered and unregistered
4 trademarks, the registration status of the red mark is not an issue as to that claim. *Wal-*
5 *Mart Stores*, 529 U.S. at 209.

6 For a trademark dilution claim, Plaintiffs must allege that, *inter alia*, the mark
7 is distinctive and famous. *Jada Toys, Inc. v. Mattel, Inc.*, 518 F.3d 628, 634 (9th Cir.
8 2007). Because the black and white LB mark is a registered trademark, there is a
9 strong presumption that that mark is distinctive. *See Zobmondo Entm't.*, 602 F.3d at
10 1113. This presumption does not apply to the unregistered red LB mark. However,
11 because the only distinction between the two marks is their color, the red version will
12 be deemed presumptively as distinctive as the black and white version. Even if the
13 Court did not presume the red version's distinctiveness based on the registration of the
14 black and white version, there are sufficient reasons to conclude, for purposes of this
15 motion, that the red version is distinctive.

16 The unregistered red LB mark is not generic because LB is not the general name
17 (i.e., shirt) of the apparel or sport services being sold. Rather, the LB mark is
18 comprised of LeCharles Bentley's initials. Because a trademark comprised of initials
19 is descriptive, the LB mark must acquire secondary meaning to be protectable. *See*
20 *CPP Ins. Agency*. Here, Bentley and O-Line allege that their LB marks have been in
21 commerce for a couple of years and that individuals interested in sports performance
22 associate the LB marks with O-Line and Bentley's business. These facts are sufficient
23 to demonstrate that the unregistered red LB mark has acquired a secondary meaning.
24 Thus, for purposes of this motion, both versions of the LB mark are distinctive.

25 A party must show more than distinctiveness to satisfy the fame element. *Avery*
26 *Dennison Corp. v. Sumpton*, 189 F.3d 868, 877 (9th Cir. 1999). Trademark dilution
27 claims are "reserved for a select class of marks – those marks with such powerful
28 consumer associations that even non-competing uses can impinge on their value."

1 *Avery Dennison Corp.*, 189 F.3d at 875. In 2002, the Ninth Circuit limited trademark
2 dilution claims to those marks that were household names. *Thane Int’l., Inc. v. Trek*
3 *Bicycle Corp.*, 305 F.3d 894, 911 (9th Cir. 2002).

4 In 2006, Congress revised 15 U.S.C. § 1125(c), the trademark dilution statute,
5 to specifically exclude dilution protection for marks whose fame extended only to niche
6 markets. *Dan-Foam A/S v. Brand Named Beds, LLC*, 500 F. Supp. 2d 296, 307 n. 90
7 (S.D.N.Y. 2007). The 2006 revision defined famous trademarks as those that are
8 “widely recognized by the general consuming public of the United States.” 15 U.S.C.
9 § 1125(c)(2)(A). “One of the major purposes of the . . . [revision] was to restrict
10 dilution causes of action to those few truly famous marks like Budweiser beer, Camel
11 cigarettes, Barbie Dolls, and the like.” *Bd. of Regents, Univ. of Tex. Sys. ex. rel.*
12 *Univ. of Tex. at Austin v. KST Elec., Ltd.*, 550 F. Supp. 2d 657, 679 (W.D. Tex. 2008)
13 (citations omitted). The revision formally matched the statutory language to the
14 limitations previously imposed by courts in cases such as the Ninth Circuit’s *Thane*
15 *Int’l.*

16 In considering whether a mark is famous, the Court may consider the following
17 non-exhaustive factors: “(1) [t]he duration, extent, and geographic reach of advertising
18 and publicity of the mark, whether advertised or publicized by the owner or third
19 parties, (2) [t]he amount, volume, and geographic extent of sales of goods or services
20 offered under the mark, (3) [t]he extent of actual recognition of the mark, (4) and
21 [w]hether the mark is registered under the [Trademark] Act of March 3, 1881, or the
22 [Trademark] Act of February 20, 1905, or on the principal register.” 15 U.S.C. §
23 1125(c)(2)(A)(i)-(iv). In *Jada Toys*, the Ninth Circuit held that the HOTWHEELS
24 trademark was famous because it had “been in use for over thirty-seven years; 350
25 million dollars [had] been expended in advertising the mark; three billion HOT
26 WHEELS units [had] been sold since the inception of the mark; and HOT WHEELS
27 [were] sold in all fifty states and throughout the world.” 518 F.3d at 635.

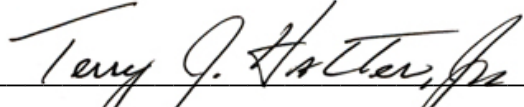
28 Here, Bentley and O-Line failed to sufficiently allege facts to demonstrate that

1 their marks are famous. Bentley and O-Line allege that their LB marks are recognized
2 by people interested in football, sports performance, and fitness training. However,
3 recognition in a niche market or among a limited segment of individuals does not satisfy
4 the “widely recognized by the general consuming public of the United States”
5 requirement of 15 U.S.C. § 1125(c)(2)(A). Moreover, Bentley and O-Line did not
6 allege any supplemental facts regarding the extent of their marks’ advertising, publicity
7 or sales. Thus, the allegations are not sufficient to conclude or infer that the LB marks
8 are famous. Accordingly, O-Line and Bentley do not allege “enough facts to state a
9 claim to relief that is plausible on its face.” *Twombly*, 550 U.S. at 570.

10 **It is Ordered** that Bentley’s trademark infringement claim for the unregistered
11 red LB mark be, and hereby is, **Dismissed** without prejudice.

12 **It is further Ordered** that Plaintiffs’ trademark dilution claim be, and hereby
13 is, **Dismissed** with prejudice.

14
15 Date: September 28, 2016

16 
17 **Terry J. Hatter, Jr.**
18 **Senior United States District Judge**