

**IN THE UNITED STATES COURT OF APPEALS  
FOR THE EIGHTH CIRCUIT**

No. 10 - 1707

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COMMUNITY OF CHRIST COPYRIGHT  
CORPORATION; COMMUNITY OF CHRIST  
CHURCH,

Plaintiffs-Appellants

vs.

DEVON PARK RESTORATION BRANCH OF  
JESUS CHRIST'S CHURCH and DAVID MCLEAN.

Defendants - Appellees

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Appeal from the United States District Court  
For the Western District of Missouri  
Case No. 4:08-cv-00906-GAF

**APPELLEE'S BRIEF**

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BRANCH OF JESUS CHRIST'S CHURCH AND DAVID  
MCLEAN

## **SUMMARY OF THE CASE**

The District Court entered a permanent injunction prohibiting Appellants Devon Park Restoration Branch of Jesus Christ's Church and its pastor David McLean, from using "Reorganized Church of Jesus Christ of Latter Day Saints" or its moniker, RLDS, to identify its church and religious beliefs as it had done for decades. The District Court found such use violates Appellees Community of Christ and Community of Christ Copyright Corporation's (collectively "COC") trademarks. COC was once known as RLDS, and Devon Park was a branch within the RLDS Church. Divisive doctrinal changes drove thousands out of the RLDS Church to worship in separate restoration branches, like Devon Park, that adhere to the traditional doctrines of the RLDS faith. In 2001, COC changed its name and public identity from RLDS to COC to better suit its new religious identity, and quietly obtained trademark registrations to warehouse the RLDS name so that no one could use it to identify allegiance to the RLDS faith, including Devon Park.

Courts dealing with similar trademark issues in the context of religious disputes are contradictory and divided. Issues of religious identity, fidelity and authenticity issues simply do not fit into some definable "trademark" concept such as confusion, genericness, or abandonment. Because there are important policy and religious freedom issues involved, as well as complex trademark issues, Appellants request a full 25 minutes for oral argument in this case.

## **CORPORATE DISCLOSURE STATEMENT**

Pursuant to 8<sup>th</sup> Circuit Appellate Rule of Procedure 26.1A, Appellant Devon Park Restoration Branch of Jesus Christ's Church states that it is a Missouri not-for-profit corporation. There is no parent corporation, or any publicly held corporation that owns 10% or more of its stock. Appellant David McLean is an individual.

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## **JURISDICTIONAL STATEMENT**

Appellees Community of Christ and Community of Christ Copyright Corp. (collectively “COC”) brought this trademark infringement action against Appellants Devon Park Restoration Branch of Jesus Christ’s Church and its pastor David McLean, pursuant to the Lanham Act, 15 U.S.C. § 1051 et seq., and Missouri state trademark and anti-dilution statutes. The District Court had subject matter jurisdiction over this case pursuant to 28 U.S.C. § 1121(a), 28 U.S.C. § 1331, 28 U.S.C. § 1338(a) and (b), and supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367(a).

This appeal is taken from the District Court’s March 24, 2010, entry of final judgment on all of COC’s claims, January 25, 2010 ruling on summary judgment, and the March 24, 2010 order granting attorneys’ fees. This appeal is also taken from the District Court’s entry of a preliminary injunction on April 13, 2009.

Appellants’ Notice of Appeal was timely filed on March 29, 2010. This Court has jurisdiction over this appeal under 28 U.S.C. § 1291.

## STATEMENT OF THE ISSUES

- I. Did the full name “Reorganized Church of Jesus Christ of Latter Day Saints,” and its moniker “RLDS,” become generic and lose trademark protection because the marks no longer identify the institutional source of the religious services, but rather identify a traditional set of religious beliefs no longer associated with COC?
- *Christian Science Board of Directors of the First Church of Christ, Scientist v. Evans*, 520 A.2d 1347 (N.J. 1987)
  - *General Conference Corp. of Seventh-day Adventist v. Seventh Day Adventist Congregational Church*, 887 F.2d 228 (9<sup>th</sup> Cir. 1989)
  - 15 U.S.C. §1065
- II. Did COC sustain its burden on summary judgment to demonstrate undisputed facts showing that there is confusion or a likelihood of confusion as to the source of the religious services created by Devon Park’s use of the RLDS marks?
- *SquirtCo v. Seven-Up Co.*, 628 F.2d 1086 (8<sup>th</sup> Cir. 1980)
- III. Did COC abandon any right to exclusive use of the RLDS marks within the meaning of 15 U.S.C. §1127 by discontinuing use of the RLDS marks, with the intent not to resume use, or by engaging in a course of conduct that caused the mark to lose significance as an identifier for the COC?
- *Intrawest Financial Corporation v. Western National Bank of Denver*, 610 F. Supp. 950 (U.S.D.C. Co. 1985)
  - *Hiland Potato Chip Company v. Culbro Snack Foods, Inc.*, 720 F.2d 981 (8<sup>th</sup> Cir. 1983)
  - *Silverman v. CBS, Inc.*, 870 F.2d 40 (2<sup>nd</sup> Cir. 1989)
  - 15 U.S.C. §1127

- IV. Did the district court err in entering summary judgment against Devon Park on its counterclaim to cancel the trademarks under 15 U.S.C. §1065 based on abandonment by COC, and the fact that the marks have become generic?
- 15 U.S.C. §1064
- V. Did the District Court err in finding in favor of COC on the state law claims for unfair competition, common law infringement, and dilution?
- VI. Did the District Court properly make its preliminary injunction permanent where COC is not shown success on the merits, and there is no evidence of irreparable harm, the harm to Devon Park clearly outweighs any possible harm to COC, and the injunction serves no public interest where COC no longer uses the RLDS marks?
- VII. Did the district court properly conclude that this is an “exceptional case” within the meaning of 15 U.S.C. §1117(a) justifying an award of attorneys’ fees based on the applicable law and evidence; and further abuse its discretion in awarding \$348,000 in attorneys’ fees where Appellants are of very modest means and such an award will result in dissolution of the branch?
- *Aromatique, Inc. v. Gold Seal, Inc.* 28 F.3d 863, 31 U.S.P.Q.2d 1481 (8<sup>th</sup> Cir. 1994)
  - *Sovereign Order of Saint John of Jerusalem, Inc. v. Grady*, 119 F.3d 1236 (Fed. App. 1997)
  - 15 U.S.C. §1117(a)

## **STATEMENT OF THE CASE**

On December 1, 2008, Appellees Community of Christ and Community of Christ Copyright Corporation (collectively “COC”) brought a trademark infringement suit in the United States District Court for the Western District of Missouri against Appellants Devon Park Restoration Branch of Jesus Christ Church and its pastor David McLean (collectively “Devon Park”). COC asserted that Devon Park’s use of the name “Reorganized Church of Jesus Christ of Latter Day Saints” and its moniker, RLDS, to identify its traditional religious beliefs and church as it had done for decades violated COC’s recently obtained trademarks. COC sought and obtained a preliminary injunction after a two-day hearing in front of the Honorable Gary Fenner. COC then moved for summary judgment to make the preliminary injunction permanent. Devon Park defended the claims asserting that the RLDS marks had become generic, because they now described a traditional set of religious beliefs (a product) rather than the institutional source of the product (the Church); that COC had not proven a likelihood of confusion; and that COC had abandoned them. Devon Park asserted a counter-claim to cancel the marks on the same grounds.

The District Court granted COC’s motion for summary judgment on all claims, dismissed Devon Park’s counter-claim to cancel the marks, and entered a permanent injunction prohibiting use of the RLDS marks. The District Court also

entered an award of more than \$348,000 in attorneys' fees against Devon Park finding this to be an "exceptional case" and Devon Park's conduct "egregious" and "beyond the pale of acceptable conduct."

This appeal ensued.

## STATEMENT OF FACTS

### **A. The RLDS Religion and Brief Church History.**

The Christian religious denomination known as the Reorganized Church of Jesus Christ of Latter Day Saints (“RLDS”) was founded by Joseph Smith, Jr. in 1830; and was reorganized and perpetuated by his son Joseph Smith III in 1860. The RLDS religion recognizes three books of scripture: The Holy Bible, the Book of Mormon, and the Doctrine and Covenants. App.706-707. The RLDS Church has existed as an unincorporated religious association since the founding of the religious doctrines and tenets in 1830. COC and several other groups that share a common heritage (including Devon Park), claim to be a continuation of this unincorporated religious association, the RLDS Church.<sup>1</sup> *See, generally,* App.621-625; 634; 699; 1023.

As the RLDS Church originally existed, its fundamental unit was the branch. The first branch was organized on April 6, 1830, by Joseph Smith, Jr. A branch has the priesthood offices of deacon, teacher, priest and elder, with several ministerial duties distributed among them. A branch is a completely independent

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<sup>1</sup>The claim that these splinter groups are the true RLDS Church stems primarily from the position that restoration groups adhere to the original religious doctrines (while COC does not), including the fundamental and sacred principle that the RLDS Church exists whenever there exists a branch of church members formed in accordance with Church laws. App.1024-1025. COC does not recognize this founding principle, and maintains “congregations” controlled by COC leadership, rather than autonomous branches.

unit that can perpetuate itself and duplicate by forming other branches. App.1024. This is how the RLDS Church originally grew from one branch in 1830. Several branches may gather in a common conference, originally called General Conferences (now called World Conferences). App.1022-1026. There are certain priesthood offices and oversight councils specially assigned to function within the larger religious unit, the RLDS Church, including the First Presidency, the Presiding Bishopric, Quorum of Twelve, Standing High Council, and the Seventy. The organization of quorums and councils as provided in church law is the government of the RLDS Church. App.1024. COC is headquartered in Independence, Missouri.

Devon Park originally formed as Southeast Independence Branch in 1987, and then in 2004 incorporated as "Devon Park Restoration Branch of Jesus Christ's Church." App.445; PI.411. Devon Park is known as a "restoration" branch. A restoration branch is one that separated from the institutional portion of the RLDS Church because of doctrinal differences including, among others, ordination of women, acceptance of open communion, and rejecting the virgin birth. App.443-444; 474. Restoration branches were formed separate from the institutional hierarchy of the RLDS Church so that believers in the traditional RLDS doctrines would have a place to worship their faith. App.443-445; 474; PI 411. The RLDS Church "silenced" as many as 5,000 priests and elders because they formed these

separate branches. App.462. Appellant David McLean is the Presiding Elder, or pastor, of Devon Park and is a baptized member of the RLDS Church, as are many Devon Park members. App.442-443; 447.

Other groups that share a common heritage with COC are also headquartered in and around the Kansas City, Missouri area, and have branches throughout the United States. These include the Restoration Church of Jesus Christ of Latter Day Saints, the Remnant Church of Jesus Christ of Latter Day Saints, and the Church of Christ, Restored. App.706-708; 620, 633, 698. Like Devon Park, each of these groups worship in branches, and proclaim the original doctrines of the RLDS religious movement. *Id.* None are affiliated with the governing body of the COC, but like Devon Park, many of their members were baptized into the RLDS faith and later withdrew from the institutional portion of the RLDS Church because of the dramatic changes in theology and beliefs in the 1960's, 1970's and 1980's. App.620, 698.

It is undisputed that COC teaches a set of religious beliefs that differ from the traditional RLDS beliefs proclaimed by Devon Park and the other restoration branches and groups. App.457. Likewise, it is undisputed that COC maintains a different governing structure, having changed and adopted new by-laws in 2002. For example, instead of a traditional branch that is authorized to perpetuate itself as provided in the original RLDS doctrines, COC now designates its fundamental unit

as a “congregation” and exercises oversight and control from a centralized “field” level, including whether a new “seed” congregation may form and maintain its status as an authorized congregation.

Devon Park is not an authorized congregation of Community of Christ. App.444.

**B. COC adopted a new “identity and calling” in April of 2001, intended to be a “single identifier to avoid confusion.”**

In the early 1990’s, COC began the process of transforming the name and identity of the RLDS Church to the “Community of Christ” to better reflect the new direction of the church. In 1994, World Conference Resolution (“WCR”) 1144 adopted the new name “Community of Christ” but also permitted “the church [to] be identified locally by such terms as may be responsive to the time and place and circumstances.” App.192. The First Presidency of COC announced to the membership in a “10 Minute News Report” that the church would have a new name, “Community of Christ,” and the church publicly disseminated the news in the *Independence Examiner*, the *Kansas City Star*, and the *Saints Herald*. App.139.

On April 7, 2000, WCR 1268 was passed by the World Conference, requiring use of the name “Community of Christ” in all “states, provinces, countries, and jurisdictions where it can legally and appropriately be used in that country and culture...”. See Addendum, at A-38 (full text of WCR 1268); and

PI.107. WCR 1268 also rescinded WCR 1144 (which permitted local use of varying names), required church leadership to develop a plan to implement and use the new name, and further provided that the RLDS name would be retained “for legal purposes.” *Id.*

As part of the debate leading to passage of WCR 1268, a retired member of the Quorum of Twelve stated, “[t]here is something uniquely different about our gathering at this conference and dealing with this question...God has been and is working with us in changing the name of the church. ...The name will honor the past. It will create the image in our minds of who we are becoming. ...In transformation our identity will be made clear. ...By God’s grace the new name will bring new life and hope to the church.” App.193. The President of Seventy stated that “[t]he present name of the church, I believe, reflects who we were but it does not reflect who we want to be. It is a name of the past. My favorite theologian, Paul Tillich reminds us that we must honor and respect the past; that we must not be bound nor enslaved by it.” App.193.

In April of 2001, the Community of Christ officially implemented the name change from RLDS to COC, with the hope and purpose of creating a “single identifier in the public” to avoid the confusion created by using both names as it had been doing since 1994. App.469. Advertisements for the “new denominational name” flooded the local market, and the City’s dignitaries were

invited to the official celebration unveiling of the new name at the World Church headquarters in Independence, Missouri. App.475. Then President Grant McMurray stated that the name change was “serious business” designed to claim a name that would better reflect the church’s history and mission, to solve identity and registration problems with the old name in other parts of the world, and to further distance the church from the Mormons (aka The Church of Jesus Christ of Latter Day Saints) and the confusion generated by similarities in the names of the two churches. App.137. President McMurray compared this process to the business term “branding.” App.466; 469.

An aggressive program to change signage, membership documents, offering envelopes, church bulletins, priesthood certificates, hymnals, publications, references on websites, bank accounts, titles to vehicles, future testamentary bequests, baptismal certificates, and many other items followed. App.468. These changes were implemented at all levels of the church. Congregation leaders were provided a booklet entitled “**Called by a New Name - Administrative Helps**” that detailed various steps to remove references to the RLDS name. App.837-878. Each family was mailed a packet containing a 40-day program of prayers and activities designed to prepare and transition individual members to the new name. App.102; PI.198.

All members and congregations were “strongly encouraged” to use the new COC name, and congregations were instructed in writing not to use both names on signs:

Question: As a transition, can we use both names, Community of Christ and Reorganized Church of Jesus Christ of Latter Day Saints, on our church signs?

Answer: No. It is important that when signs change they have the new denominational name—Community of Christ. While we realize this will seem difficult at first it is very important that we not send confusing messages to the communities we serve. Our sense of identity must be clear....

App.872; 469.

The COC website includes a detailed usage guide for trademarks obtained for the new “Community of Christ” name and symbols, but no guidance is provided for the RLDS marks, other than that it is sometimes accurate to use “RLDS” as a “historical reference.” App.843; 888-891; 489.

COC spent more than \$1.9 million on this new denominational name change and identity transformation. App.430. Current COC President Steven Veazy expressed not only the “hope that they would embrace it as a public face of the church,” but also confirmed the resounding success of the transformation. App.479. There is no dispute that when the COC presents itself to the public, it does so as the Community of Christ. App.440. COC’s goal, then, and now, is to portray the church with the new mission and name, Community of Christ, and that’s how the COC is now known in the public. App.435.

Significantly, no new “seed” congregation has been established using the RLDS name since 2001. App.487. No money has been spent by COC to promote religious services in the RLDS name. App.480.

Six years after the name change, President Veazey, who is regarded within the church as a Prophet and an oracle through whom the word of God can come, made a **divine decree** to COC membership that the new was “given as a divine blessing, is your identity and calling” (emphasis added). App.828-831. This declaration was accepted by the 2007 COC World Conference as the word of God and canonized in the *Doctrine and Covenants* (regarded as scripture). *Doctrine and Covenant 163:1* reads:

**“Community of Christ,” your name**, given as a divine blessing, is **your identity** and calling. If you will discern and embrace its full meaning, you will not only discover your future, you will become a blessing to the whole creation. Do not be afraid to go where it beckons you to go.

App.828-831; 477-478 (emphasis added).

In April of 2009, President Veazy addressed the entire membership and delivered a webcast based on a message entitled “We Share Identity, Mission, Message, and Beliefs”. App.433-434. A booklet containing this message was distributed to COC membership, and includes sections entitled “We Share a Name,” “We Share a Sacred Story” and “Church History Principles.” App.892-908. There are no references to the name “Reorganized Church of Jesus Christ of

Latter Day Saints” or “RLDS” in this booklet, not even in the historical summary of the church. App.434.

**C. The RLDS marks at issue.**

COC asserts protected trademark rights in four marks, called the “RLDS marks” herein.<sup>2</sup>

First, the moniker “RLDS” (Trademark Registration No. 956,687), was registered in 1973 as a collective membership mark. App.217-252. In subsequent renewals (the latest in 2003), COC included a “specimen” wristwatch with the “RLDS” mark across the watch face, representing in affidavits that the mark was “used in commerce” to show membership in COC. App.472-473. Other than the single specimen retained in the COC legal department, no one has seen the RLDS mark used on a wristwatch, or knows where to purchase one. App.474; 360. COC church members are no longer issued membership cards with the “RLDS” moniker. App.471; 465-466; 473; 837. The RLDS moniker is no longer available to designate a religious affiliation for those who enlist in the military (COC instructed the military to use “CofChrist”), or those that are admitted to hospitals. App.470; 449. COC submitted evidence of a single vanity license plate of an individual residing in Virginia that contained the RLDS moniker, and examples of e-mail user names. PI.104; App.415.

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<sup>2</sup> While Appellee COC CC holds title to the marks, COC claims that it holds an oral license for exclusive use.

Five years after formal adoption of the new name, COC obtained federal registrations of the name “Reorganized Church of Jesus Christ of Latter Day Saints” (Trademark Registration No. 3,188,759, registered December 26, 2006); and “Peace” seal (Trademark Registration No. 3,173,265, registered November 21, 2006). The “Peace” seal looks like this:



These marks were registered as service marks used to deliver “ministerial services, namely, conducting religious worship services.” App.253-303 (excerpts from USTPO files for each of these marks).

The applications for these two marks were initially rejected on a number of grounds, primarily that they created confusion with marks that the Church of Jesus Christ of Latter Day Saints (a/k/a the Mormons) had previously registered. App.301-303. Ultimately, COC was granted registrations because it entered an “Agreement Not to Oppose Use of Registration” with The Church of Jesus Christ of Latter Day Saints. The USTPO examiner noted that the two parties agreed that they have a:

common origin, and are distinguished from each other by the word 'Reorganized' attached to Applicant's church almost 150 years ago. The word marks have been used concurrently for that period of time, and the members are well aware of the differences between the two groups and the reasons therefore. There have been no incidents of actual confusion in recent history....The Parties agree that there is unlikely to be any future confusion arising in connection with their respective services...

App.296-300. (emphasis added).

Finally, COC asserted a claim for infringement of the "Peace" seal (Trademark Registration No. 1,044,453) which looks like this:



Devon Park admits that COC has continuously used this mark, and that COC holds all right title and interest. Devon Park does not use this mark, or desire to do so, nor is there any evidence of such use. App.450.

**D. COC's retained use of the RLDS marks "for legal purposes."**

The retention by COC of the RLDS name was "for such legal purposes as may be necessary regarding our incorporation and the holding of property."

App.871; PI.107. It is undisputed that COC continues to maintain and hold real property through a non-profit corporate entity name Reorganized Church of Jesus Christ of Latter Day Saints.

A handful of the 1,100 or so “authorized” COC congregations in the United States retain the RLDS name on signage and church bulletins App.412; 402-403; 419. In 2003, COC performed a survey of the 1,100 congregations in North America to determine how many had changed their signage to reflect the new name “Community of Christ, and 962 congregations responded. App.418. Of those, “well over 90%” reported they had switched or would be switching to a COC sign. App.418-419; 832-836; 909.

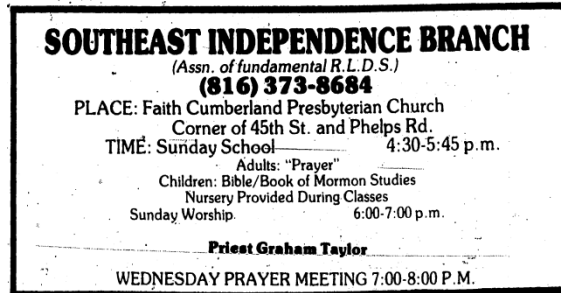
Some buildings constructed before 2001 also have heavy bronze or concrete seals containing the RLDS name that are imbedded in the exterior walls. App.500; 469-470; 529. These embedded seals are often difficult to see from the street. App.500-501.

COC congregations use a “Red Hymnal” with RLDS identified as the source on the third page. App.412. The “Red Hymnal” has not been re-printed since well before 2001 and very little stock remains. App.424-425. A new hymnal is due out in 2013 to replace the “Red Hymnal,” and no evidence exists that it will use the RLDS name to identify the source. App.412; 489. No literature published by COC since 2001 includes an RLDS mark as a source identifier. App.489; 471.

**E. Use of the RLDS marks to identify a distinct set of religious beliefs.**

Several groups have advertised fundamental RLDS religious services for decades. App.706-717. After separating from the institutional hierarchy of COC

in 1987, Devon Park is one of these groups that began identifying its branch as an “Assn. of fundamental R.L.D.S.” believers that is “Not officially affiliated with the RLDS Church.” For example:



App.707; 443-444; 462; 463; 464. Nearly all of these advertisements ran in the same section of *The Examiner* as advertisements placed by COC for its own separate religious services, and in many cases the ads ran side-by-side. App.709.

**F. Devon Park’s use of the RLDS marks.**

When this lawsuit was filed, Devon Park’s exterior sign identified the branch as “Reorganized Church of Jesus Christ of Latter Day Saints -- Devon Park Branch”:



App.404; 460.

The purpose of using the RLDS name on Devon Park's sign was to distinguish the nature of its religious services from those offered by COC, and provide a place for those who adhere to the traditional RLDS doctrines to worship. App.443; 444; 453; 706-710. No one has mistakenly made a donation or tithing to Devon Park really intending to donate to COC. App.465; 452. No one has come in to Devon Park and expressed confusion over the signage, the type of religious services offered, or confused Devon Park with an authorized COC congregation. App.452. Members choosing to worship at Devon Park are doing so because they hold the traditional RLDS beliefs, which are distinct from those proclaimed by COC. App.453.

Leaders of the separate groups Restoration Church of Jesus Christ of Latter Day Saints and Church of Christ Restored, each testified by affidavit that: (1) they do not associate the traditional RLDS doctrines with the religious services offered by COC; (2) by reputation in the religious communities they serve, COC is not a source or place where the RLDS religious services are offered; and (3) there is no confusion created by Devon Park's use of the RLDS name on its sign that it is offering the same religious services as those offered by the COC, or that Devon Park is an authorized COC congregation. App.622-623; 700.

**F. COC's demand to "cease and desist" use of the RLDS marks.**

Devon Park knew that COC sued another restoration branch, South Branch in a similar trademark infringement suit successfully enjoining that branch from using the RLDS marks. App.403; 461. Devon Park was "surprised" that COC was taking the position that South Branch, and then Devon Park, could not use the RLDS name because COC had long since abandoned it and the traditional doctrines associated with the name. App.451-452. Devon Park communicated this to COC in late 2008, along with a detailed explanation as to the legal and factual reasons supporting Devon Park's belief that COC did not have the exclusive right to use the RLDS marks. App. 452; 1027.

Devon Park's open use of the RLDS marks to identify it as a source of the traditional religion for over twenty years was tolerated and permitted by the COC.

App.463. Devon Park knew the COC leadership expressly advised Zarahemla Branch that it could use the name to identify itself as an “unauthorized branch of the Reorganized Church of Jesus Christ of Latter Day Saints.” PI.352. Under previous leadership, COC had been “open” to a solution in which the relative size of the RLDS name compared to the restoration branch name was appropriate. PI.135; PI.187.

In response to Devon Park’s letter, COC demanded that Devon Park cease and desist from using the RLDS marks. App.461. This was the first time COC had ever objected to Devon Park’s use of the RLDS name. App.464. Devon Park did not respond to COC’s letter because Devon Park had already explained its position, and COC proceeded to file suit.

### **SUMMARY OF ARGUMENT**

Trademark law is ill-equipped to deal with the religious-based disputes dividing these two parties. This is not a situation where a competitor began to use a registered trade name on a widget to take advantage of good will to make money. The “product” involved is, and has been, the personal spiritual identity and religion Devon Park members, most of whom have been adherents of the RLDS faith since childhood. The sad practical effect of the District Court’s ruling, should it remain, is that the religion known as the Reorganized Church of Jesus Christ of Latter Day Saints will disappear, since COC is clearly “warehousing” the name, and

systematically weaning its “authorized” membership from its use by attrition (*e.g.*, there are no new “seed” congregations permitted to form in the RLDS name).

While once synonymous, the RLDS religion is now quite separate and distinct from both the religious denomination and church institution represented by COC. Even though both parties claim to be the true church, only Devon Park seeks to broadcast the RLDS name and traditional doctrines associated with it as a religious identity. In contrast, COC engaged in a \$1.9 million makeover to establish COC as its new public face and identity, and radically liberalized its doctrines to no longer resemble the traditional RLDS religion. COC then quietly obtained trademark registrations so as to “legally” warehouse the RLDS name and preclude others from using it to identify and proclaim their own personal faith.

Devon Park acknowledges that this Court will avoid interpreting church law or religious doctrines so as not to run afoul of the First Amendment, and thus, will not resolve which group is the true RLDS Church. But even under secular principles of trademark law, the law compels reversal of the District Court’s rulings.

First, this Court can and should determine that the RLDS marks have become “generic” and are not entitled to trademark protection. This is because they identify the product (a religion) rather than the institutional source or origin of the product (the church organization). *See, e.g., Christian Science Board of*

*Directors of the First Church of Christ, Scientist v. Evans*, 520 A.2d 1347, 1352 (N.J. 1987)(“Christian Science” is the name of a religion, and as such, is a generic term that breakaway church may use in new name despite Mother Church’s past status as exclusive provider of religious services).

As in *Evans*, the institutional church organization established by COC is separate and distinct from the RLDS religion. There are now multiple institutional sources for the RLDS religion, and the name has significance apart from membership in the COC Church. This is supported in part by decades of “generic” use of the RLDS name in advertisements, and otherwise, to describe a certain set of traditional religious beliefs, regardless of their institutional source. At issue is whether RLDS is the generic name of a religion, like “Christian Science,” “Baptist,” “Methodist” or “Episcopal” (all generic terms not subject to protection); or, whether it is the distinct name of an institution or congregation that is the source of religious services, such as “First Church of Christ, Scientist,” “General Conference Corp. of Seventh-Day Adventists,” “First Baptist Church of Raytown,” or “Methodist Episcopal Church, South” (protectable

Second, this Court can and should find that COC failed to sustain its burden on summary judgment to demonstrate that Devon Park’s use of the RLDS marks creates a likelihood of confusion among religious consumers. How could the District Court find **as a matter of law** that Devon Park’s use of the RLDS name on

its sign created a likelihood of confusion about the source of religious services it offered where COC had not used the RLDS name as its public identity for many years, and where religious consumers were well aware of the distinction between the religious doctrines? Devon Park used the RLDS name precisely to avoid confusion, and it is the RLDS designation that traditional believers look for to find a branch that is not affiliated with or controlled by COC and its liberalized doctrines. At a minimum, these unique issues raised a disputed issue of fact precluding summary judgment.

Third, the District Court erred in finding as a matter of law that COC did not abandon any trademark rights in the RLDS marks. Abandonment is an affirmative defense to a claim of trademark infringement. It occurs through non-use (with an intent not to resume use), or by engaging in a course of conduct causing the marks to lose significance as an indication of origin. *See* §15 U.S.C. 1127.

COC successfully implemented a systematic abandonment of the RLDS marks by adopting the new name “Community of Christ,” eliminating virtually all public references to the RLDS name, not permitting new congregations to form in the RLDS name, and expending zero resources to promote the RLDS marks since 2001. The transformation culminated in the COC accepting the new name as the word of God and canonizing it in Doctrine and Covenant 163:1 providing “your name, given as a divine blessing, is your identity and calling...”. This

transformation created a “single identifier in the public” that COC believed would better reflect the church’s mission, further distance the church from the Mormons (aka The Church of Jesus Christ of Latter Day Saints), and eliminate confusion created by using two names.

On summary judgment, the District Court found that some limited retained “uses” were sufficient to avoid abandonment. This limited use is simply a “sham use devised in an attempt to prevent others from using the mark not the bona fide use required to establish or retain rights in the mark.” *Intrawest Financial Corporation v. Western National Bank of Denver*, 610 F.Supp. 950, 958 (U.S.D.C. Co. 1985). But to maintain trademark protection, the use must be part of an ongoing program to exploit the marks. *See, Anvil Brand, Inc. v. Consolidated Foods Corp.*, 464 F.Supp. 474, 481 (1972).

The 8<sup>th</sup> Circuit has stated that in analyzing whether there is a subjective intent to resume use of a mark or name, “actions speak louder than words.” *Hiland*, 720 F.2d at 984. Here, COC’s actions speak louder than its words in this lawsuit. COC has abandoned the RLDS marks both by non-use and by engaging in a course of conduct causing the marks to lose significance as an indication of COC being their origin. At a minimum, summary judgment is precluded because there is an issue of fact as to whether COC has abandoned the marks.

Fourth, both genericness and the affirmative defense of abandonment are grounds for cancelling a trademark, even after a trademark has become incontestable. *See* 15 U.S.C. §1065. Thus, for the reasons stated above, the District Court erred in entering summary judgment in favor of COC on Devon Park's counter-claim for cancellation of the marks.

Finally, even if the District Court properly entered summary judgment and a permanent injunction prohibiting Devon Park from using the RLDS marks (which is denied), Devon Park's decision to continue to use the RLDS marks just as it had publicly done for 20 years and to challenge the COC's claims in Court, was not "egregious" and did not go "beyond the pale of acceptable conduct" so as to be an "exceptional case" warranting an award of attorneys' fees under 15 U.S.C. §1117(a). The conduct certainly did not justify an award of \$348,000, against this small branch of traditional RLDS believers and its volunteer pastor.

For these reasons, the District Court erred and judgment should be entered in favor of Devon Park, or alternatively, remanded for further proceedings.

## ARGUMENT

As an initial matter, under 15 U.S.C. §1065, the right to use a registered mark becomes “uncontestable” after five years, except where grounds for cancellation under 15 U.S.C. §1064” exists. Under 15 U.S.C. §1604, a petition to cancel may be filed “any time if the registered mark becomes the generic name for the goods or services, or a portion thereof, for which it is registered, or is functional, or has been abandoned, ...:Therefore, where a mark has become generic or has been abandoned, it is not “incontestable” no matter how long the registration has been in place. *See Park ‘N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189. 194-195 (1985); and *Intrawest Financial*, 610 F.Supp. at 950(U.S.D.C. Co. 1985).

The collective membership mark registration for the “RLDS” moniker is the only registration at issue that was obtained more than five years ago.<sup>3</sup> Registrations for the other two RLDS marks were not obtained until late 2006, more than five years after the name change to “Community of Christ.” Each of these have become “generic,” have been abandoned, or at a minimum, there exists an issue of fact.

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<sup>3</sup> Devon Park does not contest Registration No. 1,044,453, nor is there any evidence that it ever used this mark. App.450.

## **Standard of Review**

Review of summary judgment is *de novo*, applying the same standards as the District Court. *Insty Bit, Inc. v. Poly-Tech Indus., Inc.*, 95 F.3d 663, 666 (8<sup>th</sup> Cir. 1996), cert. denied, 519 U.S. 1151 (1997). Each of the issues on appeal are reviewed *de novo*, except for the award of attorneys' fees, which is reviewed in part for an abuse of discretion and, in part *de novo*. See, *Te-Ta-Ma Truth Foundation-Family of Uri, Inc., v. The World Church*, 392 F.3d 248, 257(7<sup>th</sup> Cir.2004) (a decision to award attorneys' fee is within the trial court's discretion except to the extent scope and meaning of "exceptional" which is an issue of law reviewed *de novo*).

### **ISSUE I**

**Did the full name "Reorganized Church of Jesus Christ of Latter Day Saints," and its moniker "RLDS," become "generic" and lose trademark protection because they no longer identify the institutional source or origin of the religious services, but rather identify a traditional set of religious beliefs no longer associated with COC?**

The RLDS marks have become "generic" because they identify the RLDS religion, not the institutional source.

**A. The name of a religion, as opposed to the institutional source of that religion, is "generic."**

The function of a trademark is to identify the source of a product. *General Conference Corp. of Seventh-day Adventists v. Seventh-day Adventist Congregational Church*, 887 F.2d 228, 231 (9<sup>th</sup> Cir. 1989). A generic mark is one

“that tells the buyer what the product is rather than from where, or whom, it came.”

*Id.* Because a generic mark does not identify the origin of a product, it is not entitled to trademark protection. *Id.* While courts have determined that religious institutions are entitled, no less than are commercial enterprises, to the protection of trademark law, several courts have nevertheless determined that the name of a religion is often “generic.” See, e.g., *Christian Science Board of Directors of the First Church of Christ, Scientist v. Evans*, 520 A.2d 1347, 1352 (N.J. 1987)(“Christian Science” is generic term); and *McDaniel v. Mirza Ahmad Sohrab*, 27 N.Y.S.2d 525 (N.Y.Sup.Ct.), aff’d 29 N.Y.2d 509 (1941)(use of name “Baha’i” could not be enjoined). See also *General Conference Corporation of Seventh-Day Adventists v. Seventh-Day Adventist Kinship, International, Inc.*, 1991 WL 11000345, at \*6, (C.D.Cal 1991)(“Seventh-day Adventist” and its acronym “SDA” have dual meaning and are generic because they identify adherents of the religion, and have significance other than to indicate membership in the mother church).

In *Evans*, the New Jersey Supreme Court held that a Christian Science church previously affiliated with the national Christian Science “Mother Church” could still use the name despite having broken ties with the national organization. Christian Science is a relatively young religion and the Mother Church had been the exclusive “producer” or “supplier” for most of its existence. Even so, the court held that plaintiffs “simply cannot appropriate, from the public domain, the

common name of a religion and somehow gain an exclusive right to its use and the right to prevent others from using it.” *Id.* at 1352. Important to the court’s conclusion was that the Christian Science religion, and the organization dispensing the religion are “conceptually separate,” and the “consequence” recognized in the law that one who practices a particular religion is entitled to use the name of that religion in the name of their church. *Id.* at 1351. The court noted:

We have averted to our discomfort in addressing this religious dispute in terms more appropriate to the commercial world. ...Our society is filled with diverse religions and with diverse denominations within or stemming from those religions. Many separate groups that now share some common element in their names were once single denominations. ‘Nearly all our varieties of churches of the same denomination are the results of secession or withdrawals from the parent church of that name, and it has been the usual course for the new church to adopt as a permanent part of its name the name of the parent organization.’

*Id.* at 1355. Stated simply, the Mother Church in *Evans* had “no right to a monopoly of the name of a religion.” Neither does COC.

**A. Courts have struggled with trademark concepts in religious disputes.**

This same idea that religion’s name is not protectable is conveyed in other religious trademark cases, even those that seemingly arrive at contradictory results. In contrast to *Evans*, the court in *Christian Science Board of Directors of the First Church of Christ v. Robinson*, 115 F.Supp.2d 607 (W.D. N. Car.), found that “Christian Science” was not generic because its use in that case did not distinguish

the name from the mother church. Nevertheless, the court affirmed the principal that the name of a religion is generic:

It is said that the words “Methodist” and “Episcopal” are generic terms and that defendant have the right to use them for that reason, but defendants are not proposing to use either of these words in a new name so different from the old that no confusion could result...[T]he question is, not whether they have the right to use “Methodist” or “Episcopal” in a new name so constructed as to avoid confusion, but whether they have the right to use the old name in a way that amounts, as we think it does, to implied misrepresentation to the damage of plaintiffs.

*Id.* at 610-611, citing *Purcell v. Summers*, 145 F.2d 979 (4<sup>th</sup> Cir. 1944). Other courts have struggled with similar issues, especially where the religion is a relatively new faith and is not easily defined.

With respect to the “generic” argument here, the District Court concluded that the RLDS name is not generic and representative of a religion but rather the name “distinguish[es] Plaintiffs’ unique and individual religious denomination and beliefs from others,” citing *Te-Ta-Ma Truth Found. – Family of URI, Inc. v. World Church of Creator*, 297 F.3d 662, 666 (7th Cir. 2002). App.958. In *Te-Ta-Ma Truth*, the 7<sup>th</sup> Circuit apparently concludes that a “denomination” name cannot be generic because it is a distinct group within some other religion. *Id.* at 666. But this conclusion is inconsistent with other cases finding that *e.g.*, “Baptist” and “Methodist” are generic, since the *Te-Ta-Ma Truth* court also determined those are “denominations.” Instead of rotely categorizing ever evolving religions, the

appropriate query is whether the name describes a set of religious beliefs (a product) rather than identifying a particular institutional source (the church).

Contradictory results no doubt stem from the “discomfiture” in addressing religious disputes, the established “consequence” that one who practices a particular religion is entitled to use the name to identify their church, and the observation that society is filled with separate and evolving religious groups that once shared common elements. A logical corollary is that the parent religious society must also remain true to the tenets of the religion to maintain its right to use the name. The *Robinson* court acknowledges this principle by stating:

If a parent religious society remains true to the tenets of the religion, it is entitled to protection against a minority’s use of the same name. For example, a preliminary injunction can be obtained by the mother church against a local which is disaffiliated because it stops paying fees (tithes) to the mother church. Without a preliminary injunction, the mother church’s reputation would be outside its control because the local can no longer be relied upon to be true to the mother church’s teachings...

*1 McCarthy on Trademarks*, §9:7 (4<sup>th</sup> ed. 2000).

Devon Park uses the “branch” designation in its sign which further distinguishes its use of the RLDS name from the COC marks. Devon Park’s sign reads “Devon Park Branch --Reorganized Church of Jesus Christ of Latter Day Saints.” COC no longer uses the “branch” designation for its authorized congregations, which are called, *e.g.*, “Community of Christ – Knoxville Tennessee Congregation. This change from “branch” to “congregation” by COC

conveys significant meaning to consumers of the RLDS faith, namely the traditional RLDS belief that a branch may perpetuate the church and exist independently and autonomously. Use of the marks in this way does not create confusion or portray Devon Park as a continuation of COC.

**B. RLDS has significance apart from identifying the COC church organization, as evidenced by decades of “generic” use.**

Even though the RLDS Church was once the exclusive provider, “RLDS” now identifies the religious product itself – a certain set of traditional religious doctrines<sup>4</sup> -- rather than their institutional source. There are now multiple institutional sources for the RLDS religion, and the name has significance other than to denote membership in the COC. This is supported in part by decades of “generic” use in advertisements, and otherwise, to describe a certain set of traditional religious beliefs, regardless of their institutional source, and that other groups adhere to the same traditional RLDS religion while rejecting the COC institution as the true church. *See, generally, facts, supra*, at pp.16-17.

For decades, these branches and groups (including Devon Park) placed advertisements in newspapers inviting fundamental RLDS believers to participate in their religious services, often running side-by-side with the COC’s

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<sup>4</sup>The true source of these traditional religious doctrines are the word of God as it is delivered to man in the Book of Mormon, the Bible and the Doctrine and Covenants. No one could claim trademark protection for these works.

advertisements for its own separate religious services. For example, Devon Park ran the following advertisement:

**SOUTHEAST INDEPENDENCE BRANCH**  
(Assn. of fundamental R.L.D.S.)  
**(816) 373-8684**  
PLACE: Faith Cumberland Presbyterian Church  
Corner of 45th St. and Phelps Rd.  
TIME: Sunday School 4:30-5:45 p.m.  
Adults: "Prayer"  
Children: Bible/Book of Mormon Studies  
Nursery Provided During Classes  
Sunday Worship 6:00-7:00 p.m.  
**Priest Graham Taylor**  
WEDNESDAY PRAYER MEETING 7:00-8:00 P.M.

“The Lord’s Remnant” routinely advertised religious “Services for fundamental R.L.D.S.” :

**The Lord's Remnant**  
Meeting at  
**The Gathering Center**  
709 W. Maple — Independence, Missouri!  
Services for fundamental R.L.D.S. — Visitors welcome!

Every Sundays:	9:30 a.m. — Sunday School
	10:45 a.m. — Preaching Service
First Sunday of Month:	1:30 p.m. — Sacrament of Lord's Supper
All Other Sundays:	1:30 p.m. — Laws of Consecration Class
Tuesday Evenings:	7:00 p.m. — Priesthood Meeting and Visiting
	Emergency Preparedness Class
Wednesday Evenings:	7:30 p.m. — Prayer Service

**The School of the Remnant 461-1977**  
Elementary and High School  
Zion's Storehouse Is Open Weekdays: 1:00 to 5:00

App. 707-817; 443-444; 462; 463-464.

“RLDS” is and was used generically to describe a traditional set of religious beliefs, and not the particular church organization that is the source of those doctrines.

C. **The RLDS name is not associated with COC as the source of the religious services.**

Each of the separate groups that adhere to the traditional RLDS teachings believe that the administrative organizations established by them are a remnant or true continuation of the RLDS Church. None of these groups, associate the traditional RLDS doctrines and beliefs with COC, or as a source where the RLDS doctrines are offered. App. 622-623; 800.

The RLDS marks have become “generic” because they do not identify the institutional source or origin of the “product,” but rather the religious product itself namely, the RLDS religion. There can be no dispute that COC’s church organization is separate from the RLDS religion, that there are multiple sources for traditional RLDS services (but not COC), and that the RLDS name has significance apart from identifying membership in COC. Accordingly, the RLDS marks are not entitled trademark protection.

## ISSUE II

**Did COC sustain its burden on summary judgment to demonstrate undisputed facts proving confusion or a likelihood of confusion created by Devon Park’s use of the RLDS marks?**

**A. Under these unique facts and circumstances, there is no confusion or likelihood of confusion caused by Devon Park’s use of the RLDS marks.**

To prevail on summary judgment, COC must not only prove facts that as a matter of law demonstrate valid and protectable marks (which it cannot because they are “generic”), but also that Devon Park’s use of the RLDS marks creates a

likelihood of confusion. In analyzing this issue, the 8<sup>th</sup> Circuit weighs six factors: (1) the strength of the plaintiff's mark; (2) the similarity between the plaintiff's mark and defendant's mark; (3) the degree to which the allegedly infringing services compete with the plaintiff's services; (4) the alleged infringer's intent to confuse the public or "pass off" its goods as that of the trademark owner; (5) the degree of care reasonably expected of potential customers; and (6) evidence of actual confusion. *See SquirtCo v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8<sup>th</sup> Cir. 1980).

"These factors do not operate in a mathematically precise formula; rather, we use them at the summary judgment stage as a guide to determine whether a reasonable jury could find a likelihood of confusion." *Duluth News-Tribune v. Mesabi Publ'g Co.*, 84 F.3d 1093, 1096 (8<sup>th</sup> Cir. 1996). "No one factor controls, and because the inquiry is inherently case-specific, different factors may be entitled to more weight in different cases." *Kemp v. Bumble Bee Seafoods, Inc.*, 398 F.3d 1049, 1053 (8<sup>th</sup> Cir. 2005).

Here, what confusion to the consumer results under these unique circumstances? No likelihood of confusion exists where: (a) COC does not use the RLDS name as its public identity to deliver religious services; (b) COC has spent zero resources to promote the RLDS marks since 2001; (c) those in the relevant religious community are well aware that COC no longer adheres to the traditional

religious doctrines associated with the RLDS name; (d) use of the RLDS name distinguishes Devon Park's religious services from COC's and conveys that COC is not the source of the services; (e) there has been no actual confusion; and (f) use of the RLDS name is intended to avoid confusion. At a minimum, there are issues of fact as to several of the *Squirtco* factors, clearly precluding summary judgment.

**B. The *Squirtco* factors weigh in favor of Devon Park.**

The District Court incorrectly found that five of the *Squirtco* factors weighed heavily in favor of COC, that the sixth was neutral, so that there was no "likelihood of confusion" as a matter of law.

**1. The RLDS marks are not distinctive or strong as an indicator of the source of religious services dispensed by COC.**

First, the District Court found that no evidence was proffered to rebut the presumption that the registered RLDS marks are "distinctive and non-functional." As the District Court stated, "[g]enerally, the strength of a mark depends on two factors - the distinctiveness of the mark and the extent to which the mark is recognized by the relevant customer class." *Aveda Corp. v. Evita Mktg, Inc.*, 706 F. Supp. 1419, 1428 (D. Minn. 1989) (citation omitted). The District Court also found that Devon Park intentionally "copied" the marks to realize upon a strong secondary meaning indicating COC as the source, citing *Ford Motor Co. v. Lloyd Design Corp.*, 184 F. Supp. 2d 665, 670 (E.D.Mich. 2002).

While Devon Park does not dispute that the RLDS name is meaningful and distinct, the extent to which the marks are recognized by the relevant customer class as being associated with COC as a source of religious services is, at a minimum, disputed. There was ample evidence that the meaning ascribed to the RLDS marks is the traditional religious services associated with restoration branches, (like Devon Park) rather than COC because COC no longer adheres to or dispenses the traditional RLDS doctrines in its authorized congregations. Devon Park did not intentionally copy the RLDS marks to emulate COC or to pass itself off as a continuation of the COC, but rather because it had done so for over 20 years to convey the religious meaning associated with the traditional RLDS faith.

The District Court erred in finding that this factor weighs “heavily in favor of finding a high likelihood of confusion.” The marks, while perhaps distinct, do not have a strong and distinct meaning associated with COC.

## ***2. Similarity of the Marks.***

The District Court also concluded that the second factor, similarity of the marks, weighed heavily in favor of COC because Devon Park used the name in the same geographic area. Many courts find that “when identical marks are used in the same geographic area for the same class of goods or services, likelihood of confusion is presumed.” *Solutech, Inc. v. Solutech Consulting Servs.*, 153 F. Supp. 2d 1082, 1088 (E.D. Mo. 2000). Again, while Devon Park does not dispute using

similar, the addition of the “branch” designation distinguishes them from COC’s. See discussion, supra, at pp.32-33; and *General Conference Corp. v. Seventh-Day Adventist Congregational Church*, 887 F.2d 228 (9<sup>th</sup> Cir. 1989)(addition of “Congregational” in the name of the church created an issue of fact as to the likelihood of confusion). More importantly, finding a “likelihood of confusion” exists under this factor assumes that COC is actually using the marks to dispense religious services in the same geographic area. This is not true, and there is abundant evidence of that fact. This factor weighs in favor of Devon Park.

**3. *The degree to which Devon Park competes with COC.***

The District Court also found that because Devon Park offered the same general category of religious services as COC, they are competing for the same religious consumers. The District Court says that Devon Park “cuts the issue too thinly” by asserting it does not compete with COC because Devon Park uses the RLDS marks to convey that its church offers a place for traditional believers that do not adhere to the liberalized COC doctrines, or others seeking a traditional religious faith. Devon Park disputes the District Court’s logic that Devon Park is somehow competing for the same religious consumers simply because it offers the general category of religious services. This factor weigh in favor of Devon Park.

**4. *Devon Park does not “pass off” its services as COC’s.***

Again, the District Court wholly discounts the evidence that Devon Park seeks **to avoid confusion** with, and disassociate from, the liberal COC doctrines by using the RLDS marks. Potential consumers do not associate the RLDS name with COC, or the religious services offered by COC. It is basic that the concept of “confusion” is dictated by the perception of the consuming public. The relevant religious consumers -- members of an authorized COC congregation, a restoration branch, or those who no longer attend COC because of the doctrinal changes-- are acutely aware of the distinct demarcation between the religious services offered by COC and a church displaying the RLDS name and “branch” designation. Devon Park does not wish to be affiliated with COC or its liberalized doctrines; but rather seeks to distinguish the true identity of the church and traditional religious doctrines they follow by using the RLDS identifier.

Other evidence weighs heavily in support of a finding that Devon Park was not trying to “pass itself off” as affiliated with the COC institution. Other groups each testified by affidavit that: (1) they do not associate the traditional RLDS doctrines with the religious services offered by COC; (2) by reputation in the religious communities they serve, COC is not a source or place where the RLDS religious services are offered; and (3) there is no confusion created by Devon Park’s use of the RLDS name on its sign that it is offering the same religious

services as those offered by the COC, or that Devon Park is an authorized COC congregation. App.622-623.

The District Court erred in finding a likelihood of confusion exists under this factor.

**5. *The degree of care exercised by religious consumers when choosing a church weighs in favor of no confusion.***

“In a trademark infringement action[,] the kind of product, its cost and the conditions of purchase are important factors in considering whether the degree of care exercised by the purchaser can eliminate the likelihood of confusion which would otherwise exist.” *SquirtCo*, 628 F.2d at 1091. product” (i.e., ministerial services). The degree of care exercised by a person seeking religious services can eliminate the likelihood of confusion that otherwise exists. It is difficult to imagine a person accidentally joining Devon Park without understanding that its traditional beliefs differ markedly from COC’s, and that Devon Park is not affiliated with COC. A consumer seeking a new religious home is expected to exercise a good deal of care in choosing the set of beliefs he or she will adopt, making it unlikely that confusion will result.

The District Court discounted the care exercised by a religious consumer based solely on the fact that similar marks are used. Again, this assumes that COC is, in fact, promoting its religious services under the RLDS name, that the consuming public associates the RLDS name with COC, and that the RLDS name

does not convey a traditional belief system that is different than that dispensed by COC. It is not, and thus, this factor weighs in favor of finding no likelihood of confusion exists.

**6. *There is no evidence of actual confusion.***

Finally, it is undisputed that there is no evidence of actual confusion caused by Devon Park's use of the RLDS. App.465; 452-453. The District Court found that this factor was "neutral" because COC was not required to demonstrate actual confusion. While that may be so, the absence of actual confusion during the 20 years that Devon Park used the RLDS marks to distinguish its traditional religious services from the COC's liberal doctrines, is proof that the likelihood of confusion is remote. This factor is not "neutral" but rather weighs in favor of Devon Park.

Applying the *Squirtco* factors, the District Court erred in concluding that a likelihood of confusion exists.

**ISSUE III**

**Did COC abandon any right to exclusive use of the RLDS marks within the meaning of 15 U.S.C. §1127 by discontinuing their use, with the intent not to resume use, and by engaging in a course of conduct that caused the marks to lose significance as an identifier for the COC?**

**A. The COC has abandoned the RLDS marks.**

**1. *"Abandonment" occurs when use of the marks is discontinued without intent to resume, or the applicant's course of conduct causes the mark to lose its significance.***

“Abandonment is a defense to a claim of service mark infringement,” including any assertion that the marks are “incontestable.” *Intrawest Financial Corporation v. Western National Bank of Denver*, 610 F.Supp. 950, 956 (U.S.D.C. Co. 1985); and 15 U.S.C. §1065. “Abandonment” is defined as follows:

A mark shall be deemed to be ‘abandoned’—

- (a) When its use has been discontinued with intent not to resume. Intent not to resume may be inferred from circumstances. Nonuse for two consecutive years shall be prima facie abandonment.
- (b) When any course of conduct of the registrant, including acts of omission as well as commission, causes the mark to lose its significance as an indication of origin.

15 U.S.C. §1127.

- 2. ***COC no longer uses the RLDS marks and has no intent to resume use, and has engaged in a course of conduct causing the marks to lose significance.***

Without repeating the facts again, COC has now abandoned any rights in the RLDS marks by implementing a systematic transformation of the church name and identity from “Reorganized Church of Jesus Christ of Latter Day Saints” to the “Community of Christ.” This new name and transformation was publicized through advertisements, newspaper articles, new building signs, letterhead, brochures, internet website communications, church bulletins, membership records, applications, tithing forms, and other COC publications. There was and is no indication that the church will continue to use the RLDS name as an identifier

of the source of its religious services for its existing members, or to attract new members through the church's mission work, nor does it do so. Rather, quite the opposite is true. The name change was intended to create "a single identifier in the public" to avoid confusion created by using both names. Church members were told in a "divine decree" that "Community of Christ" is "your identity and calling," and that the former name was only appropriate "when considering historical events or concepts" and would be retained "for legal purposes." COC church leaders testified that at present only the new name "Community of Christ" is used as the church "missional name," and that it is known in the public by that name. *See, facts, supra* at pp.12-13.

**3. *"Token use" use that is not part of an ongoing program to exploit the mark, or "mere warehousing," is not sufficient to maintain trademark protection in the RLDS marks.***

Despite this transformation, COC contends that it still uses the RLDS marks on buildings, to hold property<sup>5</sup>, and in religious publications. COC alleges that "Community of Christ" is simply an "additional and concise" name, and that COC is still "well and favorably known by the name REORGANIZED CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS." App.21. (Complaint, at ¶15-16). COC contends that its isolated use of the RLDS marks is sufficient to maintain any

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<sup>5</sup> Simply holding property in the RLDS non-profit corporation is not delivering religious services, and there is no evidence that the entity performs any function other than ownership of assets.

trademark rights they might have and prevent Devon Park from using the RLDS name to identify the beliefs to which they adhere. The District Court agreed, but it has overlooked the applicable law and facts.

The evidence is that only a handful of the 1,200 or so “authorized” congregations retain the RLDS name on its signage and church bulletins (primarily because these more traditionally-minded congregations also adhere to the original RLDS beliefs), that there are some buildings constructed before 2001 that have heavy bronze seals with the RLDS name circling it imbedded in their walls,<sup>6</sup> and that the “Red Hymnal” with RLDS identified as the source is still widely used in COC congregations. As for the “Red Hymnal,” it has not been re-printed since well before 2001, and a new hymnal is due out in 2013. App.422-424. Even though no COC witness would concede that the new hymnal would identify COC as its source identifier, the testimony is clear that no written materials have been published under the RLDS name since 2001. *Id.* Those few publications that do identify RLDS as a source that are currently available in the COC bookstores are simply remaining pre-2001 inventory being sold.

Courts universally find that token use is not part of “an ongoing program to exploit the mark” does not create or preserve any trademark rights that were

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<sup>6</sup> The testimony was that individual congregations were not required to remove these imbedded seals due in large part because of the costs associated with that process. App.353. These seals, while on the outside of the buildings, are quite difficult to read from the street, if at all.

acquired by registration. *See, e.g., Anvil Brand, Inc. v. Consolidated Foods Corp.*, 464 F.Supp. 474, 481 (S.D.N.Y. 1978) (selling off inventory which is not part of an “ongoing program to exploit the mark” is insufficient to maintain any rights that have been acquired by registration); *Kusek v. Family Circle, Inc.*, 894 F.Supp. 522 (D.Mass. 1995)(availability of back issues of magazine does not equal “use in commerce”). *See also La Societe Anonyme des Parfums Le Galion v. Jean Patou, Inc.*, 495 F.2d 1265 (2d Cir. 1974)(where the court found no present intent to market the trademarked product, “purely defensive” token sales were to keep a competitor at bay; “[a] trademark maintenance program obviously cannot in itself justify a minimal sales effort, or the requirement of good faith commercial use would be read out of the trademark law altogether.”); *Silverman v. CBS, Inc.*, 870 F.2d 40, 47-48 (2<sup>nd</sup> Cir. 1989)(“AMOS ‘N’ ANDY” trademark abandoned because of non-use of program over an extended period of time; minor activities such as licensing TV program for limited use in documentaries and as educational programs, renewing copyrights, and periodically considering whether to resume use are not sufficient; “...such uses do not rekindle public’s identification of the mark with the proprietor, which is essential condition for trademark protection, nor do they establish an intent to resume commercial use.”); and *Application of Chicago Rawhide Mfg. Co., Cust. & Pat.App* 1972, 455 F.2d 563 (1972)(use of

“DF” mark pertaining to mechanical seals on copy of invoice inserted in package with goods was not a “use” in commerce).

The *Intrawest Financial* case, *supra*, is particularly instructive here. In *Intrawest Financial*, The First National Bank of Denver and its holding company changed its name to IntraWest Bank of Denver and Intrawest Financial Corporation, respectively. A “corporate identity” task force was formed, a major advertising campaign was coordinated, and the new name was transitioned onto new bank forms, stationary, customer bank cards, signs and building names. The expectation was that each subsidiary bank would change its name to begin with the word “IntraWest.” The Chief Officers of each subsidiary bank were provided with suggested responses to inquiries about the name change, and were told to advise the public that the historical significance of prior names was not ignored, and “the name change was initiated to position [the bank] with a single identity through the corporation. ... In essence, the name change allows us to better market ourselves through single focus and eliminates the disadvantages of separate focus. Approximately, two million dollars was spent to advertise the name change to customers, and to the public. *Id.*, 610 F.Supp. at 951-953.

IntraWest Financial applied for and obtained a service registration mark for the former name “The First National Bank of Denver,” but neither it nor the IntraWest Bank of Denver actually used the name, except on a limited basis in its

safe deposit box department. There were no advertisements to the public that the old name would be used, or continued to be associated with the new IntraWest entities. *Id.* at 955. The IntraWest plaintiffs filed suit against Western National Bank after that bank changed its name to “First National Bank of Denver,” seeking to enjoin its use of the former name.

In discussing whether the property rights acquired in a trademark were abandoned, the *Intrawest Financial* court pointed out that property rights in a trademark are different than other traditional property rights, in that they are defined by customer perception. “[B]oth the creation of right in marks and the test of invasion of those rights is determined by the perceptions and associations that exist in the minds of the relevant buying public...Trademark law has many presumptions, assumptions and a few overriding public policies, but the central key is customer perception.” *Id.* 610 F.2d at 957.

The *IntraWest Financial* court found that the limited use of the mark in the safe deposit box department failed to secure or reestablish any rights in the mark. It was “a sham use devised in an attempt to prevent others from using the mark, not the bona fide use required to establish or retain rights in the mark.” *Id.* at 958. In order for the use to be bona fide within the meaning of the Lanham Act, the mark must serve as an identifier for the consumers of the goods or services. That is, use

on isolated products or selected invoices is not sufficient to maintain rights in the mark simply because there is residual good will associated with the mark:

...Mere warehousing of marks is impermissible under the Lanham Act. In *Exxon v. Humble Exploration Co., Inc.*, *supra*, Exxon discontinued use of the mark “Humble” as a primary brand name but instituted a limited trademark maintenance program for the mark. The district court held that such a limited use of a famous trademark solely for protective purposes was a use sufficient to preclude abandonment under the Lanham Act. The Fifth Circuit reversed, stating: “In this case, the mark HUMBLE was used only on isolated products or selected invoices sent to selected customers. No sales were made that depended upon the HUMBLE mark for identification of source. **...The Act does not allow the preservation of a mark solely to prevent its use by others.** Yet the trial court’s reasoning allows precisely that warehousing so long as there is residual good will associated with the mark. ...”

*Id.* at 959 (emphasis added).

Just as in *Exxon*, the *IntraWest Financial* court concluded that the limited use of the mark in the safe deposit box department was not a bona fide use of the mark as an identifier, because it was simply “implausible” that the customers in IntraWest Bank’s safe deposit department depended upon the mark to identify the source of the services. *Id.* at 959.

The COC’s token use of the RLDS marks is likewise a “sham use devised in an attempt to prevent others from using the mark not the bona fide use required to establish or retain rights in the mark.” *Intrawest Financial*, 610 F.Supp. at 958. It is part of a calculated and limited trademark maintenance program designed to protect or “warehouse” the marks, which does not preserve trademark protection in

the marks. COC concedes that its use of the RLDS marks is only for “legal purposes,” and did not even obtain trademark registrations for two of the registrations until five years after the official name change. Zero resources have been spent to promote services under the RLDS name. None of the current retained uses are part of an ongoing program to exploit the RLDS marks as a source identifier for religious.

**4. *The “RLDS” moniker is no longer used as a collective membership mark to denote membership in the COC church.***

Abandonment is likewise evident when analyzing the trademark registration for the “RLDS” moniker, COC first registered in 1973 as a collective membership mark. A “*collective membership mark* is a mark adopted for the purpose of indicating membership in an organized collective group, such as a union, an association, or other organization. Neither the collective nor its members uses the collective membership mark to identify and distinguish goods or services; rather, the sole function of such a mark is to indicate that the person displaying the mark is a member of the organized collective group.” *Aloe Crème Laboratories, Inc. v. American Society for Aesthetic Plastic Surgery, Inc.*, 192 USPQ 170, 173 (TTAB 1976). *See also In re Triangle Club of Princeton University*, 138 USPQ 332 (TTAB 1963)(collective membership mark registration denied because specimen did not show use of mark by members). The same standards generally applicable to trademarks and service marks are used for collective membership marks.

In subsequent renewals (with the latest being in 2003), COC included a “specimen” wristwatch with the “RLDS” moniker across the watch face, representing in affidavits that it was “used in commerce” to show membership. A specimen must show how a mark is used to indicate membership in the collective organization. 37 C.F.R. §2.56(b)(4); and *In re Triangle, supra*. (According to the USTPO, the most common “specimen” is a membership card bearing the mark. *See*, TMEP 1304.09(c)). Other than the single specimen retained in the COC legal department, no one has ever seen the RLDS mark used on a wristwatch or knows where to find one. More importantly, no evidence exists that the “RLDS” mark has been used on any trinket or membership card to represent membership in the COC church for many, many years. It is undisputed that COC church members are not issued membership cards with the “RLDS” moniker, and they cannot use the RLDS moniker to designate their religious affiliation when enlisted in the military, or when they are admitted to hospitals. *See*, facts, *supra* at p.14-15.

Nevertheless, COC contends that its members use the “RLDS” moniker to denote COC membership on such items as personalized license plates, and email user names. While COC submitted one current license plate in use, and a handful of email user names, there was no evidence that the moniker was actually used to denote membership in COC. Given the identity transformation, the evidence that traditional RLDS doctrines are no longer associated with or practiced by COC, it is

just as reasonable to conclude that the owner of the personalized license plate, or an email user, is proclaiming his or her allegiance to those traditional RLDS beliefs.

Clearly, any prior use of the “RLDS” mark as a collective membership mark for COC, if at all, has been discontinued.

The District Court erred in finding that COC has not abandoned the RLDS marks either by non-use with no intent to resume use, or by engaging in a course of conduct causing the marks to lose significance as an indication that COC is the source of those marks.

#### **ISSUE IV**

**Did the district court err in denying Defendants’ counterclaim to cancel the trademarks based on abandonment by COC, or that the marks have become generic?**

As stated above, where a mark has become “generic,” or has been abandoned it is subject to cancellation under 15 U.S.C. §1064. For the same reasons stated above, the RLDS marks have become generic, and have been abandoned. There is at a minimum, an issue of fact as to whether this has occurred. Thus, the District Court erred in dismissing Devon Park’s counterclaim to cancel the marks.

## ISSUE V

### **Did the District Court err in finding in favor of COC on the state law claims for unfair competition, common law infringement, and dilution?**

The same facts that support a suit for federal trademark infringement support a suit for unfair competition and common law infringement under Missouri law, and the same defenses apply. *See Gilbert/Robinson, Inc. v. Carrie Beverage-Missouri, Inc.*, 758 F. Supp. 512, 522-27 (E.D. Mo. 1991). For the same reasons as those set forth above (abandonment, genericness, and a lack of confusion), the District Court erred in granting COC's Motion for Summary Judgment on its state law claims.

## ISSUE VI

### **Did the District Court properly make its preliminary injunction permanent where COC has not shown success on the merits, and there is no evidence of irreparable harm, the harm to Devon Park clearly outweighs any possible harm to COC, and the injunction serves no public interest where COC no longer uses the RLDS marks?**

COC is not entitled to a permanent injunction. To obtain a permanent injunction COC must attain (1) actual success on the merits; (2) show that it faces irreparable harm; (3) that the harm to it outweighs any possible harm to others; and (4) that an injunction serves the public interest. *Bank One v. Guttau*, 190 F.3d 847, 844 (8<sup>th</sup> Cir. 1999).

As demonstrated herein, COC is not entitled to summary judgment on its federal trademark claims for infringement and false designation or on its state law

claims. COC did not establish actual success on the merits, or that the harm to it outweighs the harm to Devon Pari, and is not entitled to a permanent injunction.

## ISSUE VII

**Did the district court properly conclude that this is an “exceptional case” within the meaning of 15 U.S.C. §1117(a) justifying an award of \$348,000 in attorneys’ fees based on the applicable law and evidence?**

**A. This is not an “exceptional case” that merits an award of attorneys’ fees.**

The District Court awarded more than \$348,000 in attorneys’ fees against Devon Park and its volunteer Pastor, David McLean. Even if this Court agrees that the RLDS marks are entitled to trademark protection and that COC’s isolated and primarily non-public use of the marks is sufficient to avoid a finding of abandonment (which it should not), the evidence clearly demonstrates that this is not an “exceptional case” within the meaning of 15 U.S.C. §1117(a) justifying an award of attorneys’ fees.

A party’s conduct must be “egregious” and go “beyond the pale of acceptable conduct” to be an “exceptional case” under 15 U.S.C. §1117(a):

Courts have defined the characteristics of exceptional cases with adjectives suggesting egregious conduct by a party. We have held that an exceptional case is one in which the plaintiff’s action was groundless, unreasonable, vexatious, or pursued in bad faith. *Hartman v. Hallmark Cards, Inc.*, 833 F.2d 117, 123 (8th Cir.1987). The Seventh Circuit recently described exceptional behavior in this context to be “malicious, fraudulent, deliberate, or willful.” *Badger Meter, Inc. v. Grinnell, Corp.*, 13 F.3d 1145, 1159 (7th Cir.1994). Succinctly put, an exceptional case within the meaning of Section 35

is one in which one party's behavior went beyond the pale of acceptable conduct.

*Aromatique, Inc. v. Gold Seal, Inc.*, 28 F.3d 863, 31 U.S.P.Q.2d 1481, (8<sup>th</sup> Cir. 1994). See also *Blue Dane Simmental Corp. v. American Simmental Ass'n*, 178 F.3d 1035 (8th Cir. 1999).

Thus, even when defendants act deliberately, a case is not exceptional if they acted with what they in good faith believed was a legitimate right to use the marks or they acted in a manner they legitimately believed would not cause confusion. See *Sovereign Order of Saint John of Jerusalem, Inc. v. Grady*, 119 F.3d 1236, 1244 (Fed. App. 1997) (“The evidence in this case, taken as a whole, reveals that defendant Grady thought that he was entitled to rightfully use plaintiffs' mark because of perceived historical and religious reasons. The Court, therefore, finds that while the defendant knew he was using the trademark, he did not do so maliciously, knowing that its use was contrary to law.”). See also *International Olympic Committee v. San Francisco Arts & Athletics*, 781 F.2d 733, 228 U.S.P.Q. 585 (9<sup>th</sup> Cir. (Cal.)1986) (“We believe that the rule defining willful infringement in patent cases is instructive. Cases construing willful infringement in patent areas apply the rule that one ‘who reasonably doubted that the patent was valid has not willfully infringed.’” citing *Lam, Inc. v. Johns-Manville Corp.*, 668 F.2d 462, 474 (10th Cir.), cert. denied, 456 U.S. 1007, 102 S.Ct. 2298, 73 L.Ed.2d 1302 (1982)).

A finding that Devon Park's conduct was "egregious," went "beyond the pale," or was in bad faith, requires the Court to make a determination about the nature of Devon Park's intentions and whether they acted in good faith believing they had a legitimate right to use the RLDS name. Put another way, did Devon Park hold a legitimate belief that their use of the RLDS marks would not confuse followers of COC's more liberal doctrines? This analysis not only requires consideration of whether Devon Park had a good faith belief in a legitimate right to use the marks under secular trademark law (*i.e.*, the viability of the defenses asserted including abandonment, generic, and the like), but also whether Devon Park held a good faith belief in a legitimate right to use the marks under RLDS Church law, which they would reasonably expect the COC Church leaders to consider separate and apart from any litigation in the secular courts. Here, the evidence overwhelmingly supports a finding that Devon Park did not blatantly or maliciously thumb its nose in bad faith at COC by continuing to display the RLDS name. Rather, Devon Park reasonably and legitimately doubted the validity of the trademarks obtained by COC, and thus reasonably doubted COC's claim to an exclusive right to use the RLDS name.

First, as to their position under secular trademark law, Devon Park held a legitimate belief that COC had abandoned the RLDS marks and/or that the marks are generic which, if accurate, would mean that COC did not hold an exclusive

right to use the marks despite the federally registered trademarks. There were objective facts and cases, discussed at length herein, which supported their belief, at the very least on an arguable basis. That the District Court ultimately disagreed with Devon Park's defenses on the merits, simply does not mean Devon Park acted in bad faith or its conduct went "beyond the pale." It is, after all, Devon Park that initiated the discussion with COC about its position, and attempted to resolve their respective differences, peaceably and through Church-required reconciliation, rather than through this costly litigation. PI.110.

Moreover, it is significant that COC's position at one time was to permit use of the RLDS name by unauthorized branches, so long as the size of the lettering was smaller than the branch name (*see, e.g.*, PI.185; PI.187, and that COC later expressly gave Zarahemla Branch permission to identify itself as an "unauthorized branch of the Reorganized Church of Jesus Christ of Latter Day Saints." PI.352. COC also considered licensing use of the RLDS name to restoration branches (App.464), and that Devon Park, and several others, openly used the RLDS marks with full knowledge of COC for more than 20 years, without any objection by COC.

Second, and perhaps more importantly, Devon Park continues to hold a religious-based conviction that COC is not entitled to exclusive use of the RLDS marks because Devon Park, and other restoration branches, were duly established

and maintained to carry on the true RLDS church in accordance with traditional RLDS Church laws and procedures, giving them a legitimate right to claim the RLDS identity. App.1022-1026. Under RLDS Church law, **the most fundamental and sacred principle upon which the Reorganization is founded** is that the Church exists whenever and wherever there exists a branch of church members formed in accordance with Church laws. *Id.* Likewise under Church law, any action taken by the COC establishment after the General Church “disorganization” on June 3, 2005, including obtaining the RLDS marks in December of 2006, would be action taken by a new entity and not the RLDS Church, and therefore, null and void. *Id.* These reasons, which are distinct from the secular law defenses raised by South Branch, were set out in Defendants’ October 7, 2008 letter to COC seeking additional reconciliation meetings to resolve the parties’ differences under both secular and Church law, all as required by Church reconciliation procedures. It was certainly reasonable for Defendants to expect that COC leadership would consider Church law and procedures, along with secular trademark law.

David McLean testified that he was “surprised” that COC had resorted to litigation against South Branch, and then Devon Park, giving these factors and that COC had long since abandoned the name.

It is, therefore, patently unfair and contrary to controlling principles of equity, for this Court to assess attorneys' fees against Devon Park for its reasonable challenge to COC's claim to exclusive ownership and use of the RLDS marks. Devon Park' conduct in doing so was far from "egregious" and certainly did not "go beyond the pale." Stated simply, it would be a travesty for the secular civil court system to not only overrule what Devon Park believes is a religious-based right on commercial trademark grounds, but then also pour a \$348,000 dose of salt in the already devastating wound to their faith identity.

**B. Even if this were an "exceptional case," no attorneys' fees should be awarded.**

Even if this case could be reasonably characterized as an "exceptional case" (which it cannot), the fee award should be reversed, or at least significantly reduced. Devon Park is a very small non-profit religious branch with few corporate assets, and its volunteer Pastor David McLean is an individual of relatively modest means – a hard-working tradesman-- raising a large family in a challenging economy. In contrast, the COC has retained massive real estate and financial trusts accumulated by the original institutional church over many years, including years when RLDS families (including ancestors of Devon Park families) bequeathed property to the Church. In recent years, COC has systematically excluded traditional RLDS believers with a heavy handedness bolstered by its financial clout. Moreover, there is no evidence of Devon Park luring any COC

followers to Devon Park through use of the RLDS name or gaining any charitable contributions or property that would have gone to COC but for Devon Park's use of the RLDS name. In short, Devon Park did not realize any material gain as a result of their use of the marks, nor did COC suffer any material loss.

The District Court's ruling, should it remain, has already dealt a staggering blow to Devon Park's religious identity, essentially eliminating the RLDS religion by name, and the staggering financial burden of an award of more than \$348,000 be financially devastating. Like the Court did in *Schieffelin & Co. v. Jack Co. of Boca, Inc.*, 850 F.Supp. 232, 253 at Fnt. 11 (S.D.N.Y. 1994), this Court should deny an award of fees on this basis alone:

Even if this case were an "exceptional" one, there are sound reasons in the instant case to deny Schieffelin's application. The infringement here was limited in nature, amounting to little more than 20,000 bottles, at a paltry gain to defendants. Furthermore, defendant Calderaio is an unsophisticated individual, operating virtually out of his garage. An injunction against further sales alone will likely close his business. Requiring him also to pay Schieffelin's attorneys would obviously impose a staggering burden upon him and his family. Under all the facts and circumstances, the court would exercise its discretion to deny the application.

Under these facts and circumstances, it would be an abuse of discretion to award fees against either of the Appellants, and particularly against David McLean who was and is an uncompensated pastor and corporate officer serving at the will and pleasure of the religious corporation which operates the Devon Park Branch,

and the Court should decline to do so.<sup>7</sup>

### CONCLUSION

For these reasons, Appellants respectfully request that this Court reverse the District Court's entry of summary judgment in favor of COC, dissolve the permanent injunction prohibiting Appellants from using the RLDS marks, declare that the marks are cancelled, and reverse the award of attorneys' fees because the RLDS marks are generic and/or have been abandoned. Appellant's further request that the case be remanded for entry of judgment in favor of Appellants on these grounds. Alternatively, Appellants respectfully request that this Court reverse the District Court's rulings and remand the case for trial on all issues because there exists issues of material fact precluding summary judgment and entry of the permanent injunction.

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<sup>7</sup> At a minimum, if the Court is inclined to affirm fee award the Court should significantly reduce the amount of fees awarded. *See Scholastic, Inc. v. Stouffer*, 246 F.Supp.2d 355(S.D.N.Y. 2003) (fees reduced by two-thirds because defendant was individual of limited means); and *Protection One Alarm Monitoring, Inc. v. Executive Protection One Security Service, LLC.*, 553 F.Supp.2d 201 (E.D.N.Y. 2008)(where fees are voluminous, the court may order an across the board percentage reduction in compensable hours); *see also United States Football League v. National Football League*, 887 F.2d 408, 415 (2d Cir.1989) (approving a percentage reduction of total fee award to account for vagueness in documentation of certain time entries).

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Dated: May 27, 2010

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the above was filed with the clerk of the court on this 27<sup>th</sup> day of May, 2010, and served by hand-delivery 2 hard copies and via e-mail to the following:

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**ADDENDUM**

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