UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF FLORIDA ORLANDO DIVISION

U.S. ALL STAR FEDERATION, INC.,

Plaintiff,

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Case No.: 6:21-cv-2135-WWB-DCI

OPEN CHEER & DANCE CHAMPIONSHIP SERIES, LLC, THE OPEN CHEER AND DANCE, LLC, DAVID OWENS, HEIDI WEBER, JEB HARRIS and DAVID HANBERY,

Defendants.

<u>ORDER</u>

THIS CAUSE is before the Court on Defendants' Motion for Summary Judgement (Doc. 135), Plaintiff's Response in Opposition (Doc. 146), and Defendants' Reply (158). For the reasons set forth below, Defendants' Motion will be granted.

I. BACKGROUND

Plaintiff U.S. All Star Federation, Inc. ("**USASF**") is the sanctioning organization for allstar cheerleading in the United States. (Doc. 36, ¶ 1). Allstar is a subcategory of competitive cheerleading involving private gyms rather than school teams. (Doc. 166-1 at 87:1–4). Since 2004, USASF has been hosting an annual season-ending competition for allstar cheerleading in Orlando, Florida. (Doc. 36, ¶¶ 14, 16). USASF operates, promotes, and sells tickets and merchandise for this event under the marks "THE CHEERLEADING WORLDS" and "WORLDS". (*See generally* Doc. 149-3). The former is a federally registered trademark on the supplemental register, No. 2,999,331 (the "**Cheerleading Mark**"); the latter is a common law mark (the "**Worlds Mark**") in

connection with cheerleading competitions (collectively, the "**Contested Marks**"). (Doc. 36, ¶¶ 16–17; Doc. 36-1 at 2, 5). Varsity Spirit, LLC ("**Varsity**") purportedly assigned the Cheerleading Mark and all related common law rights to Plaintiff on July 26, 2021. (Doc. 36-1 at 2, 4–5).

In the Amended Complaint (Doc. 36), USASF alleges that Defendants, Open Cheer & Dance Championship Series, LLC, The Open Cheer and Dance, LLC, David Owens, Heidi Weber, Jeb Harris, and David Hanbery, began producing a season-end cheerleading competition also held in Orlando, Florida in April under the name and marks "ALLSTAR WORLDS and "ALLSTAR WORLD CHAMPIONSHIP" (the "Allstar Marks") (*Id.* ¶ 29). USASF alleges that Defendants' use of the Allstar Marks has caused consumer confusion regarding USASF's affiliation or connection with Defendants' event. (*Id.* ¶¶ 39–40). As a result, USASF filed a five count Amended Complaint against Defendants alleging claims under sections 32 and 43 of the Lanham Act, 15 U.S.C. § 1051 *et seq.*, and for state law trademark infringement, unfair competition, and civil conspiracy. (*Id.* ¶¶ 48–80).

II. LEGAL STANDARD

Summary judgment is appropriate when the moving party demonstrates "that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a). A dispute is genuine "if the evidence is such that a reasonable jury could return a verdict for the nonmoving party." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). A fact is material if it may "affect the outcome of the suit under the governing law." *Id.* "The moving party bears the initial burden of showing the court, by reference to materials on file, that there are no genuine issues of

material fact that should be decided at trial." *Allen v. Bd. of Pub. Educ.*, 495 F.3d 1306, 1313–14 (11th Cir. 2007). Stated differently, the moving party discharges its burden by showing "that there is an absence of evidence to support the nonmoving party's case." *Celotex Corp. v. Catrett*, 477 U.S. 317, 325 (1986).

However, once the moving party has discharged its burden, "Rule 56(e)... requires the nonmoving party to go beyond the pleadings and by her own affidavits, or by the depositions, answers to interrogatories, and admissions on file, designate specific facts showing that there is a genuine issue for trial." *Id.* at 324 (quotation omitted). The nonmoving party may not rely solely on "conclusory allegations without specific supporting facts." *Evers v. Gen. Motors Corp.*, 770 F.2d 984, 986 (11th Cir. 1985). Nevertheless, "[i]f there is a conflict between the parties' allegations or evidence, the [nonmoving] party's evidence is presumed to be true and all reasonable inferences must be drawn in the [nonmoving] party's favor." *Allen*, 495 F.3d at 1314.

III. DISCUSSION

A. Lanham Act Trademark Infringement

A trademark is "any word, name, symbol or device, or any combination thereof [used] to identify and distinguish [one's] goods . . . from those manufactured or sold by others and to indicate the source of the goods." *Leigh v. Warner Bros., Inc.*, 212 F.3d 1210, 1216 (11th Cir. 2000) (quoting 15 U.S.C. § 1127). Section 32 of the Lanham Act creates a cause of action for infringement of a mark registered on either the principal or supplemental registers. 15 U.S.C. § 1114(a). To prevail on its first claim relating to the Cheerleading Mark, Plaintiff must establish five elements: (1) possession of a valid and protectable mark; (2) Defendants' use of that mark or a colorable imitation thereof; (3)

Defendants' use occurred "in commerce"; (4) Defendants used the mark "in connection with the sale . . . or advertising of any goods" or services; and (5) Defendants "used the mark in manner likely to confuse consumers." *N. Am. Med. Corp. v. Axiom Worldwide, Inc.*, 522 F.3d 1211, 1218 (11th Cir. 2008) (quotation omitted). A valid and protectable mark under § 32 must be distinctive. *Royal Palm Props., LLC v. Pink Palm Props., LLC*, 950 F.3d 776, 782–83 (11th Cir. 2020).

Plaintiff's second claim, involving the common law Worlds Mark as protected by § 43 of the Lanham Act, requires Plaintiff to establish "(1) that it had trademark rights in the mark or name at issue and (2) that the other party had adopted a mark or name that was the same, or confusingly similar to its mark, such that consumers were likely to confuse the two." *Tana v. Dantanna's*, 611 F.3d 767, 773 (11th Cir. 2010) (quoting *Lone Star Steakhouse & Saloon, Inc. v. Longhorn Steaks, Inc.*, 106 F.3d 355, 358 (11th Cir. 1997)). To show common law trademark rights, Plaintiff must show (1) actual prior use of the Worlds Mark and (2) a protectable interest therein because the mark is inherently distinctive or has acquired distinctiveness through secondary meaning. *Tarsus Connect, LLC v. Cvent, Inc.*, 452 F. Supp. 3d 1334, 1357 (N.D. Ga. 2020).

1. Validity of Assignment

As a preliminary matter, Defendants argue that the assignment purporting to grant Plaintiff ownership of the Contested Marks was invalid for two reasons: (1) the assignment did not transfer the goodwill associated with the marks; and (2) the assignment lacks valid consideration.

Plaintiff asserts it acquired rights to both Contested Marks through a 2021 assignment from Varsity. (Doc. 36-1 at 2–5; Doc. 146 at 2). To transfer a trademark and

the rights therein, the sale of the mark must be valid.¹ *Int'l Cosmetics Exch., Inc. v. Gapardis Health & Beauty, Inc.*, 303 F.3d 1242, 1246 (11th Cir. 2002). "The sale of a trademark *without* its goodwill, however, is an assignment in gross and is *invalid*." *Vital Pharms., Inc. v. Monster Energy Co.*, 472 F. Supp. 3d 1237, 1262 (S.D. Fla. 2020) (quotation omitted). "To determine whether a trademark was assigned with the goodwill the mark has come to represent, courts look (primarily) to whether the assignee is using the mark for a 'substantially similar' product." *Id.* at 1263. Despite Defendants' contention, it is clear in this case that Varsity transferred its goodwill with the Contested Marks. Indeed, prior to the assignment, Plaintiff operated the event and used the Contested Marks as Varsity's licensee. (Doc. 36, ¶ 15; Doc. 36-1 at 4). Defendant has not disputed this fact. The assignment of the Contested Marks is not invalid as an assignment in gross.

Regarding consideration, the assignment does not specify any monetary or other consideration given by Plaintiff. (*See generally* Doc. 36-1). Instead, the assignment merely states that the Contested Marks were transferred "for other good and valuable consideration." (*Id.* at 4). In Florida, a recital of consideration gives rise to a rebuttable

¹ Plaintiff argues that as a nonparty to the assignment, Defendants should not be permitted to challenge the assignment's validity. This contention is meritless, however, because Plaintiff bears the burden of proving its valid rights in the Contested Marks, which includes the validity of the assignment by which Plaintiff acquired those rights. Defendants have a right to pursue this issue. *See Fed. Treasury Enter. Sojuzplodoimport v. Spirits Int'l N.V.*, 623 F.3d 61, 68 (2d Cir. 2010) ("[Plaintiff's] main contention is that it, not [Defendant], is the legitimate successor-in-interest to the incontestable marks because . . . the purported assignment to [Defendant] was tainted by fraud. [Plaintiff] has the right to pursue this contention in court.").

presumption that consideration was present. *Foster v. Martin*, 436 So. 2d 143, 144 (Fla. 2d DCA 1983); *J.C. Vereen & Sons, Inc. v. City of Mia.*, 397 So. 2d 979, 983 (Fla. 3d DCA 1981). Defendant must point to evidence sufficient to rebut this presumption to be entitled to summary judgment. Defendant sought to ascertain the nature of the consideration in depositions and found that the alleged consideration was the payment of unspecified filing fees, the costs and obligation of defending the marks, and investments that Plaintiff had made in the marks. (Doc. 166-16 at 61:20–62:12, 70:14–71:1, 130:16–131:4). Although it is unclear whether any of these constitutes consideration, Plaintiff did undertake some "labor, detriment, or inconvenience, however small." *Koung v. Giordano*, 346 So. 3d 108, 115 (Fla. 1st DCA 2022). This is enough to create a triable issue as to consideration and the validity of the assignment. The Court will not grant summary judgment on this issue.

2. Actual Prior Use

In addition to establishing that the Worlds Mark is distinctive, Plaintiff also "bears the burden of establishing the right to use its mark by actual use." *Tana*, 611 F.3d at 780. Defendants contend that Plaintiff cannot establish actual prior use of the Worlds Mark because prior to 2021, Plaintiff only used the mark as Varsity's licensee. (Doc. 135 at 22); *see also Beach Mart, Inc. v. L&L Wings, Inc.*, 784 F. App'x 118, 128–29 (4th Cir. 2019) ("[I]t is black letter law that a licensee's use of a mark inures to the benefit of the licensor, and the licensee does not acquire its own ownership rights."). While Plaintiff does assert that it used the Worlds Mark as Varsity's licensee, the license agreement in question makes no mention of the Worlds Mark. (*See generally* Doc. 166-2). However, there is no dispute that Plaintiff has used the Worlds Mark since 2004. (Doc. 36, ¶¶ 14, 17). Plaintiff either did so for its own benefit—establishing prior use—or to the benefit of

Varsity. If the latter, Varsity could assign to Plaintiff any rights resulting from Plaintiff's use as a licensee. Prior use would thus depend on the Trademark Assignment, which, as discussed above, Defendants have not shown to be invalid. Therefore, for the sake of avoiding summary judgment, Plaintiff has established prior use of the Worlds Mark.

3. Distinctiveness

Before addressing distinctiveness on the merits, Plaintiff first contends that Defendants are precluded from arguing that the Contested Marks are generic, merely descriptive, or lack secondary meaning because Defendants dismissed these defenses with prejudice. It is true that Defendants agreed to dismiss with prejudice their affirmative defense specifically stating that the Contested Marks are "merely descriptive, lack secondary meaning, and/or are generic." (Doc. 39, ¶ 85; Doc. 112 at 1–2; Doc. 113). However, distinctiveness, or non-genericness, is an essential element of Plaintiff's case on which Plaintiff bears the burden of proof. See Mil-Mar Shoe Co. v. Shonac Corp., 75 F.3d 1153, 1156 (7th Cir. 1996) ("When the mark claimed as a trademark is not federally registered . . . the burden is on the claimant to establish that it is not an unprotectable generic mark."); see also Matal v. Tam, 582 U.S. 218, 224-25 (2017) (describing "federally registered" marks as those placed on the principal register). And although a mark registered on the principal register enjoys a presumption of validity, a mark registered on the supplemental register—such as the Cheerleading Mark here—does not. ERBE Elektromedizin GmbH v. Canady Tech., LLC, 629 F.3d 1278, 1288 (Fed. Cir. 2010). Accordingly, Defendants were not required to raise genericness as an affirmative defense in this case. Instead, Defendants' general denials of the Cheerleading Mark's validity were sufficient to avoid conceding the issue. Accord Flav-O-Rich, Inc. v. Rawson

Food Serv., Inc. (In re Rawson Food Serv., Inc.), 846 F.2d 1343, 1349 (11th Cir. 1988) ("A defense which points out a defect in the plaintiff's prima facie case is not an affirmative defense."). Defendants will not be estopped from arguing the Contested Marks are generic or otherwise non-distinctive.

On the merits, "[t]he starting point for an assessment of the validity of a mark is to query whether or not the purported mark is distinctive." Miller's Ale House, Inc. v. Boynton Carolina Ale House, LLC, 702 F.3d 1312, 1317 (11th Cir. 2012). The Eleventh Circuit recognizes four gradations of distinctiveness, in descending order of strength: "fanciful or arbitrary, suggestive, descriptive, and generic." Id. "We consider fanciful marks (think 'Verizon' telecommunications—the name is a made-up word), arbitrary marks (think 'Apple' computers—the name is a real word that has nothing to do with the product) and suggestive marks (think 'Igloo' coolers-the name is a real word that bears only an oblique relationship to the product) to be 'inherently' distinctive." Royal Palm Props., 950 F.3d at 783. A descriptive mark can be distinctive only if it acquires "secondary meaning" whereby "the primary significance of the term in the minds of the [consuming] public is not the product but the producer." Miller's Ale House, 702 F.3d at 1317 (quotation omitted). Generic terms "cannot be appropriated from the public domain and thus cannot receive trademark protection." Id. A mark's distinctiveness category is a question of fact. Investacorp, Inc. v. Arabian Inv. Banking Corp. (Investcorp) E.C., 931 F.2d 1519, 1523 (11th Cir. 1991).

The Court first finds that the Contested Marks are not suggestive. Suggestive marks "suggest characteristics of the goods and services and require an effort of the imagination by the consumer in order to be understood as descriptive." *Frehling Enters.,*

Inc. v. Int'l Select Grp., Inc., 192 F.3d 1330, 1335 (11th Cir. 1999) (quotation omitted). The Contested Marks require no such effort. Two common words, "Cheerleading" and "Worlds," comprise the Contested Marks. Dictionary definitions show that Cheerleading is a sport involving gymnastics, dance, and acrobatics. See Cheerleader, American https://ahdictionary.com/word/search.html?g=cheerleader ("A Heritage Dictionary, member of a group that performs coordinated routines typically combining gymnastic and dance maneuvers, originally including rhythmic chants to encourage spectators to cheer at an athletic event, but often in competition with similar groups."); Cheerleading, Collins Dictionary, https://www.collinsdictionary.com/us/dictionary/english/cheerleading ("the action or skill of a cheerleader"). One definition of "World²" is "of or relating to the world" and can be used to describe international sports competitions. See World, Merriam-Webster, https://www.merriam-webster.com/dictionary/world ("of or relating to the world," "a including world championship"); World, The Britannica Dictionary, https://www.britannica.com/dictionary/world (same). In combination, these words describe a competition where international group of athletes or teams compete in cheerleading-precisely the sort of event both Plaintiff and Defendants offer. The Contested Marks thus require no "imagination, thought and perception to reach a conclusion as to the nature of" the parties' events and, therefore, are not suggestive. Vision Ctr. v. Opticks, Inc., 596 F.2d 111, 116 (5th Cir. 1979) (quotation omitted).

² Plaintiff argues that its use of the plural "Worlds" is suggestive because there is no common definition of the term apart from "more than one world." The implication is that pluralization renders the Contested Marks more distinctive. But there is no evidence that pluralizing "World" alters the meaning of the term, so the Court finds that pluralization is irrelevant here. See In re Cordua Rests., Inc., 823 F.3d 594, 603 (Fed. Cir. 2016) ("While each trademark must always be evaluated individually, pluralization commonly does not alter the meaning of a mark.").

What remains, then, is to determine whether the Contested Marks are descriptive or generic.³ See Am. Television & Commc'ns Corp. v. Am. Commc'ns & Television, Inc., 810 F.2d 1546, 1548-49 (11th Cir. 1987) ("The distinction between descriptive and generic terms is one of degree."). The genericness inquiry turns on "the primary significance of the registered mark to the relevant public." Miller's Ale House, 702 F.3d at 1320 (quoting 15 U.S.C. § 1064(3)). The relevant public are actual or potential purchasers of the good or service in question. Pods Enters., Inc. v. U-Haul Int'l, Inc., No. 8:12-cv-01479-T, 2015 WL 1097374, at *2 (M.D. Fla. Mar. 11, 2015). A mark is generic if the primary significance of the mark to the relevant public is "the term by which the product or service itself is commonly known, a depiction of the product as a whole, rather than a particular feature of the product, or the name of a class of products rather than an individual brand." Id. (quotation omitted); see also Park 'N Fly, Inc. v. Dollar Park & Fly, Inc., 469 U.S. 189, 194 (1985) ("A generic term is one that refers to the genus of which the particular product is a species."). The genericness of a mark lies in the use of the term; a term may be generic of some things but not of others. Tarsus Connect, 452 F. Supp. 3d at 1348 ("[I]vory is generic of elephant tusks but arbitrary as applied to soap." (quotation omitted)). Courts consider a variety of evidence regarding genericness, including "dictionary definitions and usage of the term by the media, industry, competitors, and holder of the mark." Pods Enters., 2015 WL 1097374, at *3.

Plaintiff asserts its rights in the Contested Marks as related to conducting cheerleading competitions. (Doc. 36-1 at 2). In this context, the Court finds that the Contested Marks are generic. Indeed, the marks describe "the basic nature of the

³ Plaintiff does not argue that the Contested Marks are arbitrary or fanciful.

service" Plaintiff offers-a world cheerleading championship event. Investacorp, 931 Dictionary definitions, noted above, support this conclusion. F.2d at 1522. "Cheerleading" refers to a sport or activity involving gymnastics, dance, and acrobatics; "World" means "of or relating to the world" and can be used to describe an international sports championship or competition. See Pods Enters., 2015 WL 1097374, at *4 ("If a term appears in a 'standard dictionary in lower case, this would be powerful evidence that the term was generic, because nouns and other nominatives listed in dictionaries, save for the occasional proper name, denote kinds rather than specific entities." (quoting Door Sys., Inc. v. Pro-Line Door Sys., Inc., 83 F.3d 169, 171 (7th Cir. 1996))). The Contested Marks thus identify what Plaintiff's event is, rather than who offers it. See id. at *2 ("Rather than answering the question 'where do you come from?', a generic term merely explains 'what are you?'" (quoting Bos. Duck Tours, LP v. Super Duck Tours, LLC, 531 F.3d 1, 14 (1st Cir. 2008))). As a result, affording the Contested Marks trademark protection would improperly prohibit Defendants from naming their event for what it is: a world championship competition in allstar cheerleading. Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 9 (2d Cir. 1976) (user of a generic term "cannot deprive competing manufacturers of the product of the right to call an article by its name"). Cutting further in favor of genericness, Plaintiff's recent trademark application for "The Cheerleading Worlds" mark includes a disclaimer⁴ of any exclusive right to use the word "Cheerleading" apart from the asserted mark. See Bos. Duck Tours, 531 F.3d at 22 ("[A] decision by the

⁴ Defendants ask the court to take judicial notice of the USPTO file history showing the disclaimer. (Doc. 135 at 7 n.3). Plaintiff does not object to this request, so the Court will take notice of the USPTO file. *Setai Hotel Acquisition, LLC v. Mia. Beach Luxury Rentals, Inc.*, No. 16-21296-Civ, 2017 WL 3503371, at *7 (S.D. Fla. Aug. 15, 2017).

PTO to either require a disclaimer or not is merely a single piece of evidence in the court's overall genericism analysis.").

Plaintiff does point to some evidence showing non-generic use of the Cheerleading Marks. For example, the record shows that Plaintiff uses the "Worlds" and "The Cheerleading Worlds" specifically to refer to its event, rather than in any generic capacity. (See Doc. Nos. 149-3; 149-33; 150-8; 150-9; 150-10). Similarly, there is evidence that participants in Plaintiff's event—including Defendants—use the Cheerleading Mark to refer to Plaintiff's event rather than to describe cheerleading competitions generally. (See Doc. 150-2 at 2; Doc. 150-14 at 2; Doc. 150-18 at 23:20–24:20). Several media outlets have also used the Contested Marks to refer to Plaintiff's event. (Doc. 150-23 at 105–164).

This evidence, however, falls short of creating a genuine dispute of material fact. The record shows that until Defendants began their allegedly infringing conduct, Plaintiff's event was the *only* season-ending world championship event in allstar cheerleading.⁵ Thus, any public association between the Contested Marks and Plaintiff's event is the result of Plaintiff being the sole source of this sort of event. *See J. Kohnstam, Ltd. v. Louis Marx & Co.*, 280 F. 2d 437, 440 (C.C.P.A. 1960) ("[W]here there is only one source for a particular kind of merchandise over a period of time, the public might come to associate that source with the name by which the merchandise is called. But such circumstances cannot take the common descriptive name of an article out of the public

⁵ Although the parties identify several entities in the cheerleading industry using the constituent terms of the Cheerleading Marks, (Doc. 136-1 at 20), the record shows that none of these entities produces a season-ending world championship event in allstar cheerleading. (Doc. 146 at 11; Doc. 155-1 at 250:10–251:3).

domain."). Therefore, evidence of that public association cannot convert generic termssuch as the Contested Marks-into protectible marks. Welding Servs., Inc. v. Forman, 509 F.3d 1351, 1358 (11th Cir. 2007) ("Courts have generally held that a term used generically cannot be appropriated from the public domain; therefore, even if the name becomes in some degree associated with the source, a generic mark cannot achieve true secondary meaning."); A.J. Canfield Co. v. Honickman, 808 F.2d 291, 297 (3d Cir. 1986) (generic terms are "never protectable because even complete success . . . in securing public identification . . . cannot deprive competing manufacturers of the product of the right to call an article by its name." (quotation omitted)); Nat'l Conf. of Bar Exam'rs v. Multistate Legal Stud., Inc., 692 F.2d 478, 487 (7th Cir. 1982) (holding that generic terms are afforded no trademark protection "even though the name acquires a secondary meaning, that is, the product has become identified with a particular producer"); Surgicenters of Am., Inc. v. Med. Dental Surgeries, Co., 601 F.2d 1011, 1017 (9th Cir. 1979) ("To allow trademark protection for generic terms, i.e., names which describe the genus of goods being sold, even when these have become identified with a first user, would grant the owner of the mark a monopoly, since a competitor could not describe his goods as what they are."). Because the Contested Marks are generic, Plaintiff cannot establish valid and protectible rights therein. Summary judgment is appropriate.

B. Common Law Claims

In addition to its claims under the Lanham Act, Plaintiff asserts claims for Florida common law trademark infringement (Count III), unfair competition (Count IV), and civil conspiracy (Count V). The parties agree that each of these claims is dependent on the success of Plaintiff's federal claims, as each claim requires the same analysis. *See Gift*

of Learning Found., Inc. v. TGC, Inc., 329 F.3d 792, 802 (11th Cir. 2003); see also *Planetary Motion, Inc. v. Techsplosion, Inc.*, 261 F.3d 1188, 1193 n.5 (11th Cir. 2001) ("Common law and statutory trademark infringements are merely specific aspects of unfair competition."); *Monsanto Co. v. Campuzano*, 206 F. Supp. 2d 1239, 1250 (M.D. Fla. 2002) ("The legal standard for federal trademark and unfair competition, and for common law trademark infringement, are essentially the same."). Because the Court has concluded that the Contested Marks are generic under the Lanham Act, Plaintiff cannot succeed on its state law claims. Summary judgment is therefore appropriate on each of Plaintiff's claims.

IV. CONCLUSION

For the reasons set forth herein, it is **ORDERED** and **ADJUDGED** as follows:

- 1. Defendants' Motion for Summary Judgement (Doc. 135) is **GRANTED**.
- 2. The Clerk is directed to enter judgment in favor of Defendants, and against Plaintiff, on each of its claims.
- Thereafter, the Clerk is directed to terminate all pending motions and close this case.

DONE AND ORDERED in Orlando, Florida on July 17, 2024.

BERC UNITED STATES DISTRICT JUDGE

Copies furnished to:

Counsel of Record