

APPENDIX

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APPENDIX A
PUBLISHED

UNITED STATES COURT OF APPEALS
FOR THE FOURTH CIRCUIT

No. 22-2211

SIMPLY WIRELESS, INC.,
Plaintiff-Appellant,

v.

T-MOBILE US, INC., f/k/a T-Mobile USA, Inc.;
T-MOBILE USA, INC.,
Defendants-Appellees.

No. 22-2236

SIMPLY WIRELESS, INC.,
Plaintiff-Appellant,

v.

T-MOBILE US, INC., f/k/a T-Mobile USA, Inc.;
T-MOBILE USA, INC.,
Defendants-Appellees.

Appeals from the United States District Court for the
Eastern District of Virginia, at Alexandria.
Anthony John Trenga, Senior District Judge.
(1:21-cr-00597-AJT-JFA)

Argued: December 6, 2023
Decided: August 13, 2024

Before DIAZ, Chief Judge, and KING and RUSHING,
Circuit Judges.

Vacated and remanded by published opinion. Judge King wrote the majority opinion, in which Chief Judge Diaz joined. Judge Rushing wrote an opinion concurring in the judgment.

* * *

KING, Circuit Judge:

Plaintiff Simply Wireless, Inc. is a Virginia telecommunications company headquartered in McLean, Virginia, within Fairfax County of the Old Dominion. Simply Wireless has operated for about 27 years and has used multiple trademarks, including the trademark SIMPLY WIRELESS. In 2021, Simply Wireless initiated this civil action in the Eastern District of Virginia alleging, inter alia, that defendants T-Mobile US, Inc. and T-Mobile USA, Inc. (collectively “T-Mobile”) had infringed Simply Wireless’s common law ownership of a trademark called SIMPLY PREPAID.¹ After discovery, Simply Wireless and T-Mobile submitted cross-motions for summary judgment to the district court. Following briefing and argument by counsel, the court—on October 24, 2022—awarded summary judgment to T-Mobile. *See Simply Wireless, Inc. v. T-Mobile US, Inc.*, No. 1:21-cv-00597 (E.D. Va. Oct. 24, 2022), ECF No. 337

¹ For clarity, we refer to the relevant trademarks in capitalized definitions—that is, as (1) SIMPLY WIRELESS, and (2) SIMPLY PREPAID. The lower-case term “Simply Wireless” refers to the plaintiff itself, which has owned both of the capitalized trademarks.

(the “Summary Judgment Order”).² On appeal, Simply Wireless contends that the summary judgment award made to T-Mobile is erroneous and must be vacated, in that genuine disputes of material fact have been presented, and a jury trial is therefore warranted. As explained herein, we agree with Simply Wireless and thus vacate and remand.

I.

In reciting the relevant facts, we accept the evidence in the light most favorable to Simply Wireless, as the non-moving party with respect to the summary judgment award. We also draw all reasonable inferences in favor of Simply Wireless. *See George & Co. v. Imagination Ent. Ltd.*, 575 F.3d 383, 392 (4th Cir. 2009).

A.

Since 1997, Simply Wireless has offered, promoted, and sold cell phones, accessories, and “prepaid airtime.”³ Under its trademark SIMPLY WIRELESS (which was registered under federal law), Simply Wireless operated brick-and-mortar retail stores until 2009. Thereafter, Simply Wireless either closed those stores or converted them into retail stores that were branded under another trademark.

² After filing its Summary Judgment Order under seal on October 24, 2022, the district court gave the parties an opportunity to propose redactions. The court responded to those proposals and published a slightly redacted version of the Summary Judgment Order in the Federal Supplement. *See Simply Wireless, Inc. v. T-Mobile US, Inc.*, 638 F. Supp. 3d 644 (E.D. Va. 2022). The sealed version of the Summary Judgment Order is relied on herein.

³ “Prepaid airtime” enables a phone user who has not entered into a phone contract with a cellular services provider to nevertheless use airtime services by paying in advance.

In addition to its various retail locations, Simply Wireless for several years sold prepaid airtime through its website. More specifically, from 2002 through 2008, Simply Wireless offered prepaid airtime for sale—under its trademark SIMPLY PREPAID—through its online store, located at www.simplyprepaid.com (the “Simply Prepaid website”). During that lengthy period, Simply Wireless also sold third-party wireless phones and accessories to its customers through home shopping television networks, including those called “HSN” and “QVC.” When Simply Wireless filled such purchase orders, it included a “thank you” letter that described how customers could reload their phones when an allotment of airtime ran low or was depleted. *See* J.A. 782.⁴ In those letters, Simply Wireless encouraged its customers to visit the Simply Prepaid website to refill airtime. Between 2002 and 2008, the trademark SIMPLY PREPAID generated more than \$20 million in revenue for Simply Wireless. And, from 2002 to 2019, Simply Wireless visibly displayed its trademark SIMPLY PREPAID in its Virginia headquarters in Fairfax County, along with several trademarks of Simply Wireless’s other brands. *Id.* at 681 (explaining that SIMPLY PREPAID was displayed in signage on the walls throughout the office prior to 2012 and on the front reception desk from 2012 to 2019).

Beginning in 2009, Simply Wireless paused its sales of prepaid airtime using the trademark SIMPLY PREPAID and the Simply Prepaid website. The website was then inactive from 2009 until about August 2014. According to a Declaration filed herein and made by Simply Wireless’s CEO Steven Qureshi (the “CEO

⁴ Citations herein to “J.A. ___” refer to the contents of the Joint Appendix filed by the parties in this appeal.

Declaration,” or simply the “Declaration”), however, Simply Wireless has never intended to abandon its trademark SIMPLY PREPAID.⁵ Indeed, Qureshi states explicitly that Simply Wireless always intended to resume use of the trademark SIMPLY PREPAID. And he confirms that Simply Wireless continuously sought business opportunities for its SIMPLY PREPAID trademark. More specifically, ¶ 10 of the CEO Declaration recites that:

10. Beginning in 2009, Simply Wireless decided to pause sales of prepaid airtime refills through www.simplyprepaid.com. This decision was prompted by an industry-wide shift away from prepaid refills (like the ones sold through SIMPLY PREPAID). Despite this, Simply Wireless never intended to abandon SIMPLY PREPAID. I and Simply Wireless’ co-owner, my brother Robert Qureshi, always intended to resume use of the SIMPLY PREPAID trademark, continuously sought business opportunities for using SIMPLY PREPAID, and resumed its use in 2012.

See J.A. 676.

The CEO Declaration then identifies specific examples of steps that Simply Wireless undertook in 2011 and 2012 in connection with resuming its use of the trademark SIMPLY PREPAID:

11. For example, in early 2011, Simply Wireless began negotiating with Ignite Media, an online retail promotional company, about

⁵ The CEO Declaration contains a statement of CEO Qureshi that is supported by 16 exhibits, referred to by Simply Wireless as “corroborating documentary evidence.” *See* Br. of Appellant 2.

selling cellular phones and airtime via the well-trafficked retail website www.topTVstuff.com. Attached as Exhibit 6 are representative examples of communications between Simply Wireless and Ignite Media during this time frame. Those negotiations focused on the use of the SIMPLY PREPAID mark, resulting in sales in 2012 under the SIMPLY PREPAID mark for sales of prepaid mobile phones, airtime, and accessories.

See J.A. 676-77.

As evidence of Simply Wireless's intentions and resumption efforts concerning its trademark SIMPLY PREPAID, the CEO Declaration emphasized Exhibit 6 thereof—an email sent by a retail promotional company called Ignite Media to CEO Qureshi of Simply Wireless on January 6, 2011. Included in that email was a slide deck consisting of 12 slides. Focused on what it called Simply Wireless's "2011 Objectives," the slide deck detailed plans for online marketing and sales of wireless phones, accessories, and prepaid airtime by Simply Wireless—using its trademark SIMPLY PREPAID—in addition to describing Ignite Media's marketing capabilities. *See* J.A. 903-14. Each of the 12 slides provided by Ignite Media was stamped with SIMPLY WIRELESS. The slide deck underlying the 2011 negotiations repeatedly used the term "Simply" and, as the CEO Declaration explicitly states, "focused on the use of the SIMPLY PREPAID mark." *Id.* at 677. The slide deck also spoke of, for example, "Simply Making an Impact" through "Simply Top Partnerships" for the marketing of wireless phones and accessories. *Id.* at 912-14.

In July 2012, Ignite Media forwarded an unsigned proposed agreement to Simply Wireless that related to

their joint partnership’s marketing of cell phones and prepaid airtime in connection with the trademark SIMPLY PREPAID, through the website called “toptvstuff.com.” And Ignite Media addressed the proposed agreement to “Simply Wireless d/b/a/ Simply Prepaid Inc.,” explicitly demonstrating that Simply Wireless had informed Ignite Media of its intention to use the trademark SIMPLY PREPAID. *Id.* at 897. In the event the partnership between Ignite Media and Simply Wireless terminated, the proposed agreement also identified several companies that Simply Wireless might promptly begin doing business with. Among the companies identified was “simplyprepaid.com,” further demonstrating that Simply Wireless intended to continue using its trademark SIMPLY PREPAID, whether or not its partnership with Ignite Media succeeded. *Id.* at 901.

On July 31, 2012, approximately two weeks after Ignite Media delivered the proposed agreement, Simply Wireless began using the trademark SIMPLY PREPAID in connection with sales through toptvstuff.com. *See* J.A. 677, 703. The results of those transactions were modest, but they were certainly multiplicitous. During 2012 and 2013, Simply Wireless earned only about \$15,500 from sales under the trademark SIMPLY PREPAID, but engaged in 277 transactions with 243 consumers in 44 states. *Id.* at 678. Following its use of toptvstuff.com to make sales through April 2013, Simply Wireless again temporarily ceased its use of the trademark SIMPLY PREPAID. *Id.* at 708.

B.

Retail dealers for T-Mobile—a major competing cellular provider—began operating retail brick-and-mortar stores under the trademark SIMPLY PREPAID in

June 2014.⁶ On August 13, 2014, T-Mobile filed an application with the United States Patent and Trademark Office (the “PTO”) to register SIMPLY PREPAID as its own trademark. And Simply Wireless promptly learned of what it considered to be T-Mobile’s illegal use of SIMPLY PREPAID as a T-Mobile trademark. On October 2, 2014, Simply Wireless applied—in a competing application—to register its trademark SIMPLY PREPAID with the PTO.⁷ Simply Wireless thereafter launched a revamped Simply Prepaid website, although it did not begin offering prepaid cell phones for sale through the website until 2016.⁸

C.

1.

In 2015, Simply Wireless first sued T-Mobile for, *inter alia*, trademark infringement, in the Eastern District

⁶ Simply Wireless had used its trademark SIMPLY PREPAID for several years before T-Mobile’s alleged acts of infringement in 2014. And Simply Wireless’s extensive use of the trademark SIMPLY PREPAID—as the district court recognized in its Summary Judgment Order—resulted in Simply Wireless’s legal ownership of SIMPLY PREPAID as a valid “common law trademark.” *See* Summary Judgment Order 18-19.

⁷ Because of this litigation, the PTO’s administrative proceedings concerning the trademark SIMPLY PREPAID have been stayed.

⁸ From 2016 to 2018, Simply Wireless earned approximately \$6,500 on sales of prepaid cell phones through the Simply Prepaid website. In addition to its sales through the Simply Prepaid website, Simply Wireless also earned more than a million dollars in 2015 and 2016 through sales on Amazon Marketplace, an e-commerce platform that allows vendors like Simply Wireless to sell products through the Amazon website. Again, from 2002 to 2019, Simply Wireless consistently displayed its trademark SIMPLY PREPAID in its headquarters in Fairfax County.

of Virginia. And T-Mobile successfully moved in the district court for dismissal of that lawsuit in favor of arbitration, which this Court affirmed in 2017. *See Simply Wireless, Inc. v. T-Mobile US, Inc.*, 877 F.3d 522, 523 (4th Cir. 2017), *abrogated by Henry Schein, Inc. v. Archer & White Sales, Inc.*, 586 U.S. 63 (2019). After the arbitrator determined that Simply Wireless’s claims in its 2015 lawsuit against T-Mobile were not subject to arbitration, Simply Wireless initiated this lawsuit against T-Mobile—in May 2021—alleging, inter alia, claims of common law trademark infringement and trademark dilution.⁹

In December 2021, the district court scheduled a summary judgment hearing for February 2022. Prior to the scheduled hearing, on January 18, 2022, Simply Wireless and T-Mobile filed competing motions for summary judgment. Simply Wireless also filed a memorandum in support of its summary judgment request. And it supported that request with its extensive CEO Declaration.¹⁰ According to Simply Wireless, because T-

⁹ In its Complaint of May 2021, Simply Wireless alleged four counts of trademark infringement. Counts I and III alleged federal trademark infringement under the Lanham Act; Count II alleged trademark infringement under Virginia statutory law; and Count IV alleged common law trademark infringement. In a fifth count, Simply Wireless alleged a single count of trademark dilution. Both parties consistently refer to those five counts in their various appellate submissions as the “trademark infringement claims.” We also utilize that designation in several instances, referring to the five counts collectively as a package of trademark infringement claims.

¹⁰ Rule 56(c)(4) of the Federal Rules of Civil Procedure spells out the requirements for the use of “Affidavits or Declarations” in summary judgment proceedings. It provides that

[a]n affidavit or declaration used to support or oppose a [summary judgment] motion must be made on personal knowledge, set out facts that would be admissible in

Mobile was using Simply Wireless's trademark SIMPLY PREPAID in connection with the very same offerings made by Simply Wireless, T-Mobile was liable to Simply Wireless for the statutory tort of trademark infringement, under a theory called "reverse confusion."

T-Mobile's motion sought summary judgment on each of Simply Wireless's trademark infringement claims. Among its contentions, T-Mobile asserted that Simply Wireless had not established that it owned the trademark SIMPLY PREPAID when T-Mobile first used it in mid-2014. More specifically, T-Mobile maintained that asserting a protectible interest in a common law trademark requires continuous and exclusive use thereof. And T-Mobile claimed that Simply Wireless had not demonstrated such continuous and exclusive use of the trademark SIMPLY PREPAID. T-Mobile alternatively asserted—by way of a footnote—that even if Simply Wireless could establish that it had accrued common law trademark ownership rights in SIMPLY PREPAID, Simply Wireless had nevertheless abandoned those rights due to three consecutive years of nonuse.¹¹

evidence, and show that the affiant or declarant is competent to testify on the matters stated.

See Fed. R. Civ. P. 56(c)(4). Section 1746 of Title 28, entitled "Unsworn declarations under penalty of perjury," is located in the "Evidence; Documentary" Chapter of that Title. It provides that an unsworn declaration may be used to support, evidence, establish, or prove a matter, as required or permitted under federal law, if made in writing and properly subscribed by the person making it. The CEO Declaration in these proceedings has satisfied—without objection—the mandate of Rule 56(c)(4), as well as § 1746.

¹¹ In its memorandum supporting summary judgment, T-Mobile argued an abandonment of the trademark SIMPLY PREPAID by Simply Wireless, and maintained that:

That is, according to T-Mobile, Simply Wireless had failed to use the trademark SIMPLY PREPAID for three years, from January 1, 2009 through December 31, 2011 (the “presumption period”).¹²

2.

In February 2022, the district court conducted argument proceedings in Alexandria, Virginia, concerning the competing summary judgment motions. During those proceedings, the court focused on the competing positions of the parties concerning ownership of the common law trademark SIMPLY PREPAID, and also on the parties’ contentions with respect to the abandonment issue.

According to Simply Wireless, the common law ownership of a trademark has two requirements—first, that the putative owner (here, Simply Wireless) be the first user of such a trademark and, second, that the putative owner has not abandoned the trademark. Simply

Even if Plaintiff could establish some rights in the name Simply Prepaid, Plaintiff’s failure to maintain continuous use still constitutes abandonment of those rights. “Non-use [of a mark] for three consecutive years ... constitutes prima facie evidence of abandonment” and “a mandatory inference of intent not to resume use,” which the alleged owner has the burden to rebut. *See Emergency One, Inc. v. Am. FireEagle, Ltd.*, 228 F.3d 531, 535-36 (4th Cir. 2000) (internal citations omitted). Plaintiff did not use the name Simply Prepaid for three consecutive years, triggering the presumption.

See J.A. 170 n.4 (brackets, ellipsis, and parenthetical in original).

¹² The district court and the parties agree that the presumption period spanned the three-year period from 2009 to 2011. During oral argument, it was clarified that the presumption period extended from January 1, 2009 until December 31, 2011.

Wireless maintained that it had first used the trademark SIMPLY PREPAID in 2002 and had never abandoned it. Simply Wireless’s position was thus that it had always owned—and yet retained ownership of—the trademark SIMPLY PREPAID.

On the other hand, T-Mobile’s primary position in the February 2022 court session was that the abandonment principles of the Lanham Act do not apply to a common law trademark.¹³ T-Mobile primarily argued that a protectible interest in a common law trademark requires its continued and exclusive use. If that proposition had been adopted by the district court as a controlling principle of law, an abandonment assessment would not have been required. According to T-Mobile, the relevant inquiry was whether Simply Wireless had continuously and exclusively used its trademark SIMPLY PREPAID until the alleged infringement thereof by T-Mobile in June 2014. And—T-Mobile argued—Simply Wireless had failed to do so.

During the February 2022 argument proceedings, the district court also sought the parties’ positions on whether, if an abandonment assessment needed to be made by the court concerning the trademark SIMPLY

¹³ The Lanham Act was enacted in 1946 and provides, *inter alia*, protection for trademarks by prohibiting infringements on the rights of trademark holders. *See* Pub. L. No. 79-489 (1946). The Act is codified at 15 U.S.C. §§ 1051-1127, and § 1127 provides that

[a] mark shall be deemed to be “abandoned” if ... its use has been discontinued with intent not to resume such use. Intent not to resume may be inferred from circumstances. Nonuse for 3 consecutive years shall be *prima facie* evidence of abandonment. “Use” of a mark means the bona fide use of such mark made in the ordinary course of trade, and not made merely to reserve a right in a mark.

PREPAID, any genuine and material factual disputes existed concerning whether there had been an abandonment by Simply Wireless. The parties then agreed on the legal principle that the Lanham Act’s statutory presumption of abandonment is triggered by three consecutive years of nonuse. Nevertheless, the parties disputed whether Simply Wireless had intended—during the three-year presumption period—to resume use of the trademark SIMPLY PREPAID.

In early April 2022, the district court scheduled a “supplemental hearing” that specifically related to, *inter alia*, the abandonment issue. *See Simply Wireless, Inc.*, ECF No. 330. The court entered an order requesting the parties to respond to several issues, including the directive that they be prepared to address

what [Simply Wireless] did during the three year period from 2009 through 2011 that evidenced its intent to resume the use of SIMPLY PREPAID within the foreseeable future and what relevance [Simply Wireless’s] post-2011 conduct had with respect to whether it abandoned the use of SIMPLY PREPAID as of the end of the three year period[.]

Id. at 2. The court conducted its supplemental argument proceedings in late April 2022. At the conclusion of those proceedings, the court took the pending summary judgment motions under advisement.

D.

On October 24, 2022, the district court filed its Summary Judgment Order awarding summary judgment to T-Mobile on Simply Wireless’s trademark infringement claims concerning the trademark SIMPLY PREPAID. The court therein also denied the summary judgment

request interposed by Simply Wireless. Notably, the Summary Judgment Order explicitly ruled—favorably to Simply Wireless and against T-Mobile—that Simply Wireless had acquired common law ownership rights in the trademark SIMPLY PREPAID. The Court therein explained that

to establish common law trademark ownership of the [trademark SIMPLY PREPAID], Simply Wireless need only establish that it (1) used the [trademark SIMPLY PREPAID] first and (2) that such use was deliberate and continuous, not sporadic, casual or transitory. Simply Wireless has satisfied both requirements. ... Therefore, Simply Wireless accrued common law ownership rights in the [trademark SIMPLY PREPAID] and therefore may be divested of those rights only through its abandonment of the [trademark SIMPLY PREPAID].

See Summary Judgment Order 18-19.

The Summary Judgment Order then turned to and conducted the abandonment analysis provided for in § 1127 of Title 15. Pursuant thereto, a rebuttable presumption of abandonment is established when a trademark challenger can show the lack of use of a valid trademark by the putative owner for three consecutive years. If the § 1127 statutory presumption of abandonment applies, the putative owner—such as Simply Wireless—is entitled to rebut the presumption by evidence that it intended, during the three-year period of nonuse, to resume its use of the trademark. According to the Summary Judgment Order, “Simply Wireless did not use the SIMPLY PREPAID mark in commerce for over three-and-a-half years, from 2009 to July 31, 2012, thereby

triggering the presumption of abandonment.” *See* Summary Judgment Order 19.

The Summary Judgment Order thus turned to an assessment of whether Simply Wireless had presented sufficient evidence to rebut the presumption of abandonment, that is, to demonstrate that Simply Wireless intended—during the presumption period—to resume its use of SIMPLY PREPAID. The Summary Judgment Order observed that Simply Wireless, to prove such use, was relying on the following evidence:

(1) its annual renewal of the simplyprepaid.com domain; (2) discussions it had, beginning in 2011, with Ignite Media—an online retail promotional company—about selling cellular phones and air-time via toptvstuff, and its subsequent actual use of the [trademark SIMPLY PREPAID] on toptvstuff beginning in July 2012; and (3) the declaration from its CEO submitted in opposition to T-Mobile’s motion for summary judgment that Simply Wireless always intended to resume use of the [trademark SIMPLY PREPAID].

See Summary Judgment Order 21-22.

After assessing the summary judgment record and the competing contentions, the Summary Judgment Order concluded that Simply Wireless had

failed as a matter of law to produce sufficient evidence that would allow a reasonable factfinder to conclude that Simply Wireless formed the intent to resume use of the SIMPLY PREPAID mark during the statutory three-year period of non-use (2009-2011) ... and that such resumption would be in the reasonably foreseeable future[.]

See Summary Judgment Order 26-27. The court therefore awarded summary judgment to T-Mobile on Simply Wireless's claims of trademark infringement.

Simply Wireless has timely appealed that ruling, filing separate notices of appeal on November 21, 2022 and on November 29, 2022. We have consolidated those appeals and possess jurisdiction under 28 U.S.C. § 1291.

II.

We review de novo a district court's disposition of cross-motions for summary judgment. See *Fusaro v. Howard*, 19 F.4th 357, 366 (4th Cir. 2021). "When cross-motions for summary judgment are before a court, the court examines each motion separately, employing the familiar standard under Rule 56 of the Federal Rules of Civil Procedure." See *Desmond v. PNGI Charles Town Gaming, L.L.C.*, 630 F.3d 351, 354 (4th Cir. 2011). And a summary judgment award is only appropriate if "there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." See Fed. R. Civ. P. 56(a). In assessing T-Mobile's summary judgment award, we are obliged to accept and view the evidence in the light most favorable to Simply Wireless—as the party opposing T-Mobile's motion—and to draw all reasonable inferences in Simply Wireless's favor. See *George & Co. v. Imagination Ent. Ltd.*, 575 F.3d 383, 392 (4th Cir. 2009).

Of importance, our Court has recognized that the intent-to-resume-use inquiry underlying an abandonment analysis "is an intensely factual question." See *Emergency One, Inc. v. Am. FireEagle, Ltd.*, 228 F.3d 531, 538 (4th Cir. 2000) ("*Emergency One I*"). So long as the evidence on an abandonment inquiry goes beyond "simply asserting a vague, subjective intent to resume use of a mark at some unspecified future date," the intent issue

is “rarely amenable to summary judgment.” *See ITC Ltd. v. Punchgini, Inc.*, 482 F.3d 135, 150 (2d Cir. 2007) (internal quotation marks omitted).

III.

Simply Wireless appeals from the Summary Judgment Order, maintaining that genuine disputes of material fact have been shown on the abandonment issue and that summary judgment is therefore precluded. As explained herein, we are satisfied that such disputes have been established concerning, inter alia, Simply Wireless’s timely intent to resume use of its trademark SIMPLY PREPAID. As a result, we are constrained to vacate and remand.

A.

1.

In resolving T-Mobile’s summary judgment motion, the district court applied the abandonment test spelled out in 15 U.S.C. § 1127. Pursuant thereto, three years of nonuse of a valid common law trademark creates a rebuttable presumption of abandonment. At that point, the burden shifts to the putative owner of the trademark—i.e., Simply Wireless—to demonstrate that it intended to resume use of its trademark, and that such intention was formed during the three-year presumption period. *See Emergency One I*; *see also Emergency One, Inc. v. Am. Fire Eagle Engine Co.*, 332 F.3d 264, 266 (4th Cir. 2003) (“*Emergency One II*”). We have also explained that, during the critical three-year presumption period, the putative owner must intend to resume its use of the trademark in the “reasonably foreseeable future,” rather than “at some unspecified future date.” *See Emergency One I*, 228 F.3d at 537.

2.

In this appeal, Simply Wireless does not challenge the district court's finding that it failed to use the trademark SIMPLY PREPAID for the three-year period from the beginning of 2009 to the end of 2011. That unchallenged finding triggers the statutory presumption of abandonment. But Simply Wireless does not concede the most important issue in this litigation. That is, Simply Wireless plants its feet firmly on the proposition that it has presented sufficient evidence to show its intent—during the presumption period—to resume use of its trademark SIMPLY PREPAID.

Again, our Court has recognized that the intent to resume use inquiry “is an intensely factual question.” See *Emergency One I*, 228 F.3d at 538. In *Emergency One I*, the putative owner of a trademark—a manufacturer of rescue vehicles—sued a competing manufacturer for trademark infringement. In response, the alleged infringer claimed that the putative owner had abandoned its trademark. The district court decided that a trial was warranted, and a single factual issue was submitted to the jury: whether the contested trademark had been abandoned.

After the jury found in favor of the putative owner—i.e., that the owner had not abandoned its trademark—the infringer appealed. It urged our Court to reverse, arguing, inter alia, that it was entitled to judgment as a matter of law due to an abandonment under the three-year provision of § 1127. In rejecting that contention, our *Emergency One I* decision reasoned that, although the putative owner had not used its trademark for three years, it had proved its timely intent to resume use thereof. That showing of intent was sufficient to defeat the infringer's position on abandonment. And as the

Second Circuit later held when it adopted our *Emergency One I* precedent, so long as a putative trademark owner has presented evidence beyond “simply asserting a vague, subjective intent to resume use of a mark at some unspecified future date,” resolution of the intent inquiry is “rarely amenable to summary judgment.” See *ITC Ltd. v. Punchgini, Inc.*, 482 F.3d 135, 150 (2d Cir. 2007) (internal quotation marks omitted).

Those decisions present two substantial legal obstacles for T-Mobile’s effort to secure an affirmance of the Summary Judgment Order. That is, (1) the intent to resume use inquiry “is an intensely factual question,” as we held in *Emergency One I*, and (2) the intent inquiry is “rarely amenable to summary judgment,” as the Second Circuit ruled when it adopted our *Emergency One I* precedent.

In order to establish its timely intention to resume use of its common law trademark SIMPLY PREPAID, Simply Wireless relies on evidence that undermines the abandonment ruling of the district court. The CEO Declaration explicitly explains Simply Wireless’s intentions concerning its use of the trademark SIMPLY PREPAID. It also recounts Simply Wireless’s 2011 negotiations with Ignite Media concerning the marketing of products under the trademark SIMPLY PREPAID. And the Declaration then summarizes, inter alia, the resulting sales transactions.

Simply Wireless thus maintains that the summary judgment record—particularly the CEO Declaration—establishes for summary judgment purposes Simply Wireless’s timely intent to resume use of its trademark SIMPLY PREPAID, and that genuine issues of material fact in that regard justify a jury trial. In support of that proposition, Simply Wireless asserts that the CEO

Declaration is strongly corroborated by its contents, including the following:

- the 12-slide deck sent to Simply Wireless by Ignite Media in January 2011 describing a partnership between the businesses;
- the July 2012 proposed agreement between Simply Wireless and Ignite Media about marketing cell phones and prepaid airtime under the trademark SIMPLY PREPAID; and
- Simply Wireless's post-2011 sales under the trademark SIMPLY PREPAID.

3.

For its part, T-Mobile contends on appeal that the Summary Judgment Order correctly ruled that the CEO Declaration is overly vague and indefinite, and that the Declaration fails to sufficiently support Simply Wireless's assertion of a timely intention to resume use of its trademark SIMPLY PREPAID. T-Mobile even maintains that the CEO Declaration is contradicted—rather than supported—by its own contents. And, in T-Mobile's view, the Summary Judgment Order correctly ruled that Simply Wireless failed to establish its timely intent to resume its use of the trademark SIMPLY PREPAID.

Perhaps lacking confidence in its position supporting an affirmance of the Summary Judgment Order's abandonment ruling, T-Mobile pursues an alternative argument for sustaining the judgment challenged by Simply Wireless. T-Mobile argues that, even if the district court erred in making its abandonment ruling, T-Mobile is nevertheless entitled to an affirmance of the summary judgment award because the court fatally erred in

applying the statutory abandonment test to a common law trademark. Maintaining that the abandonment inquiry applies only to registered trademarks, and that the inquiry does not apply to common law trademarks such as SIMPLY PREPAID, T-Mobile contends that the court erred in addressing the abandonment question.

B.

1.

Simply Wireless maintains that the Summary Judgment Order mischaracterized the CEO Declaration and failed to construe the reasonable inferences drawn therefrom in the light most favorable to Simply Wireless. And we agree that the CEO Declaration expressly confirms Simply Wireless's timely intention to resume its use of the trademark SIMPLY PREPAID. In ¶ 10 thereof, the Declaration states, in pertinent part:

Simply Wireless never intended to abandon SIMPLY PREPAID. I and Simply Wireless' co-owner, my brother Robert Qureshi, always intended to resume use of the SIMPLY PREPAID trademark, continuously sought business opportunities for using SIMPLY PREPAID, and resumed its use in 2012.

See J.A. 676. In its very next paragraph, the Declaration recounts Simply Wireless's 2011 negotiations with Ignite Media concerning the marketing of products under its trademark SIMPLY PREPAID:

For example, in early 2011, Simply Wireless began negotiating with Ignite Media, an online retail promotional company, about selling cellular phones and airtime via the well-trafficked retail website www.topTVstuff.com. Attached as Exhibit 6 are representative examples of

communications between Simply Wireless and Ignite Media during this time frame. Those negotiations focused on the use of the SIMPLY PREPAID mark, resulting in sales in 2012 under the SIMPLY PREPAID mark for sales of prepaid mobile phones, airtime, and accessories.

Id. at 676-77.

As our fallen colleague Judge Michael explained more than 20 years ago in *Emergency One I*, a trademark owner “cannot defeat an abandonment claim, as well as the purposes of the Lanham Act, by simply asserting a vague, subjective intent to resume use of a mark at some unspecified future date.” *See Emergency One I*, 228 F.3d at 537. Rather than being vague or subjective, however, the CEO Declaration is specific and predicated on personal knowledge. As such, the Declaration strongly supports Simply Wireless’s essential and timely intent to resume use of its contested trademark. *See GSH Trademarks Ltd. v. Sia “Baltmark Invest,”* No. 1:20-cv-0271, 2021 WL 1999791, at *4-5 (E.D. Va. May 18, 2021) (deeming single knowledgeable witness’s testimony sufficient to establish intent to resume use of trademark).

How the evidence will impact a summary judgment issue usually hinges on whether it is sufficiently specific and non-conclusory. For example, “conclusory testimony”—amounting to “little more than a denial in a pleading”—will not defeat the presumption of a trademark abandonment. *See Imperial Tobacco Ltd. v. Philip Morris, Inc.*, 899 F.2d 1575, 1581 (Fed. Cir. 1990). The CEO Declaration, however, is specific and far from conclusory. It explicitly reveals Simply Wireless’s intent, during the presumption period, to resume its use of the trademark SIMPLY PREPAID. And the Declaration

provides specific support for the proposition that, “in early 2011, Simply Wireless began negotiating with Ignite Media” to market cell phones and airtime through www.toptvstuff.com. *See* J.A. 676. As the Declaration recites, “[t]hose negotiations focused on the use of the SIMPLY PREPAID mark.” *Id.* at 677.

The CEO Declaration is thus sufficient to establish—for summary judgment purposes—that Simply Wireless timely intended to resume its use of the trademark SIMPLY PREPAID. CEO Qureshi carefully explained in some detail Simply Wireless’s plan to resume such use, and he named the third party (Ignite Media) that was negotiating with Simply Wireless during the presumption period. The Declaration even identified the channel for distribution of Simply Wireless’s products (toptvstuff.com) in connection with the trademark SIMPLY PREPAID.

The district court thus erred in ruling that the CEO Declaration was overly “vague and indefinite,” and that it failed to show that Simply Wireless timely intended to resume its use of its trademark SIMPLY PREPAID. In so ruling, the district court had to reject—i.e., simply disbelieve—the Declaration’s express statement that Simply Wireless intended, during the presumption period, to resume its use of the trademark SIMPLY PREPAID. And the court also had to reject the Declaration’s recounting of the steps taken by Simply Wireless to resume its use of the trademark SIMPLY PREPAID, including its early 2011 negotiations with Ignite Media that “focused on the use of the SIMPLY PREPAID mark.” *See* J.A. 677. Because this is a summary judgment proceeding, however, the district court was not entitled to make such adverse credibility findings. *See Jacobs v. N.C. Admin. Off. of the Cts.*, 780 F.3d 562, 569 (4th Cir. 2015). Put simply, the summary judgment

record had to be accepted in the light most favorable to Simply Wireless, as the non-moving party.

2.

The CEO Declaration also explains the relevance of the January 2011 email to CEO Qureshi from Ignite Media endorsing the slide deck. Focusing on Simply Wireless’s “2011 Objectives,” the slide deck details the plans agreed upon for Simply Wireless’s online sales and marketing of wireless phones, accessories, and airtime, in addition to describing Ignite Media’s marketing capabilities. *See* J.A. 903-14. And the slide deck envisioned that Simply Wireless would be “extend[ing] the success metrics of HSN and QVC” through a partnership with Ignite Media. *Id.* at 904. Through HSN and QVC, Simply Wireless had marketed cell phones that could be refilled with airtime sold in connection with its trademark SIMPLY PREPAID.

Resisting the compelling factual recitation of the CEO Declaration, T-Mobile argues that it is contradicted by its own contents and the summary judgment record. For example, T-Mobile asserts that the slide deck fails to mention the trademark SIMPLY PREPAID—but instead was stamped with the name “Simply Wireless.” In its view, the Declaration’s statement that the negotiations with Ignite Media “focused on the use of the SIMPLY PREPAID mark” was also contradicted. *See* J.A. 677. In short, however, there is no such contradiction. In assessing a summary judgment award, we are obliged to construe the evidence in the light most favorable to Simply Wireless. And as this Court has previously recognized, even circumstantial evidence—or reasonable inferences therefrom—can defeat a summary judgment motion. *See Roehling v. Nat’l Gypsum Co. Gold Bond Bldg. Prods.*, 786 F.2d 1225, 1229 (4th Cir.

1986) (reversing award of summary judgment where trial court “failed to draw the reasonable inferences from plaintiff’s circumstantial evidence”).

Although the 12-slide deck does not mention the trademark SIMPLY PREPAID, it corroborates the CEO Declaration’s confirmation of Simply Wireless’s intent to resume its use thereof. For example, the slide deck relies on “extend[ing] the success metrics of HSN and QVC.” *See* J.A. 904. Through HSN and QVC, Simply Wireless had marketed cell phones for years that could be refilled with airtime sold in connection with its trademark SIMPLY PREPAID. When Simply Wireless filled orders placed through HSN and QVC, it included a “thank you” letter that encouraged customers to visit the Simply Prepaid website to refill airtime for their newly purchased phone. *Id.* at 782. A reasonable jury, therefore, could accept the slide deck as compelling evidence that the 2011 negotiations between Simply Wireless and Ignite Media “focused on the use of the SIMPLY PREPAID mark.” *Id.* at 677.

3.

The July 2012 proposed agreement between Simply Wireless and Ignite Media was also part of and further explained in the CEO Declaration. The Declaration’s explanation was that Simply Wireless intended—during the three-year presumption period—to resume its use of the trademark SIMPLY PREPAID. And a trial court assessing a summary judgment motion should “consider evidence and testimony regarding ... practices that occurred before or after the three-year statutory period to infer ... intent to resume use during the three-year period.” *See Crash Dummy Movie, LLC v. Mattel, Inc.*, 601 F.3d 1387, 1392 (Fed. Cir. 2010). For example, if an “invoice was dated seven months after the expiration of

the nonuse period,” it could corroborate an “intent to use *during* the nonuse period.” *See GSH Trademarks Ltd.*, 2021 WL 1999791, at *5 (emphasis in original). Like an invoice, Ignite Media forwarded the July 2012 agreement to Simply Wireless, addressed as “Simply Wireless d/b/a Simply Prepaid Inc”—just months after the presumption period had concluded. *See* J.A. 897.

According to the Summary Judgment Order, the proposed agreement with Ignite Media failed to establish that Simply Wireless actually intended to resume its use of the SIMPLY PREPAID trademark, and that such intent was formed within the presumption period. Again, the facts must be viewed in favor of Simply Wireless. And—for summary judgment purposes—the 2011 negotiations actually led to and resulted in the 2012 proposed agreement. And those negotiations “focused on the use of the SIMPLY PREPAID mark, resulting in sales in 2012 under the SIMPLY PREPAID mark.” *See* J.A. 677.

The Summary Judgment Order discussed an August 2012 email from Ignite Media to CEO Qureshi, regarding an “initial testing budget” that was to be used for the trademark SIMPLY PREPAID on toptvstuff.com. *See* Summary Judgment Order 23. And the district court mentioned a June 2014 email, which referred to SIMPLY PREPAID as one of the potential names for a new website. The proposed agreement and those emails, however, according to the Summary Judgment Order, most likely reflected “preliminary, exploratory efforts,” rather than proof of a definite plan to resume use of the trademark SIMPLY PREPAID. *Id.* Unfortunately, the court construed that evidence in isolation, and in favor of T-Mobile, rather than in favor of Simply Wireless. Viewed in the proper light, a jury could find that the proposed agreement with Ignite Media supported Simply

Wireless's timely intent to resume use of its trademark SIMPLY PREPAID, and that such intent was formed during the three-year presumption period. The proposed agreement therefore supports Simply Wireless's timely intent to resume use of its trademark SIMPLY PREPAID, as explained and confirmed by the CEO Declaration.

4.

Simply Wireless's sales in 2012 and 2013 involving its trademark SIMPLY PREPAID provide further support for its timely intent to resume use of its trademark SIMPLY PREPAID. The Summary Judgment Order, however, characterized Simply Wireless's post-2011 sales as "sporadic, [casual], and transitory." *See* Summary Judgment Order 24. On that basis, T-Mobile argues that those sales fail to corroborate Simply Wireless's timely intent to resume use of its trademark SIMPLY PREPAID. In these circumstances, however, an assessment of whether those events were "sporadic," "casual," or "transitory," was for a jury.

Even if Simply Wireless's modest \$15,500 in sales in 2012 and 2013—involving 277 transactions with 243 consumers in 44 states—are deemed to be paltry, they are additional evidence of Simply Wireless's timely intent to resume use of its trademark. Our *Emergency One I* decision ruled more than 20 years ago that the promotional use of a trademark on clothing and merchandise could rebut a presumption of abandonment. As Judge Michael recognized, the "continuous promotion of the brand by using it on hats, T-shirts, tote bags, and souvenir nameplates is evidence of some intent to resume use of the

mark.” *See* 228 F.3d at 537.¹⁴ Sales made using the trademark SIMPLY PREPAID, even if not a commercial triumph, should not be disregarded. Simply Wireless’s transactions under its trademark SIMPLY PREPAID in 2012 and 2013 further corroborate its timely intent—between 2009 and 2011—to resume use thereof.

C.

1.

a.

Having resolved that the district court erred in its abandonment ruling, we turn to T-Mobile’s alternative contention for affirmance of the judgment. More specifically, T-Mobile alternatively challenges as erroneous the court’s use of the § 1127 statutory abandonment test in assessing the ownership of a common law trademark. According to T-Mobile, what it called the “continuous use” test should have been applied. *See, e.g.*, Br. of Appellee 48. And because Simply Wireless had failed to establish continuous use, T-Mobile argues, Simply Wireless never acquired common law ownership of the trademark SIMPLY PREPAID. As a result, summary judgment in T-Mobile’s favor is warranted on that ground, even if the Summary Judgment Order’s abandonment ruling was erroneous. Before assessing the merits of that alternative contention, we must evaluate whether

¹⁴ Pursuant to our *Emergency One I* decision, the promotional use of a trademark can rebut a presumption of abandonment. And from 2002 to 2019, Simply Wireless displayed its trademark SIMPLY PREPAID in its Virginia headquarters in Fairfax County. *See* J.A. 681. Simply Wireless’s promotional use during that time period is compelling evidence of its timely intent to resume use of its trademark SIMPLY PREPAID.

it can be pursued by T-Mobile in the absence of a cross-appeal.

b.

Although T-Mobile did not notice a cross-appeal from the Summary Judgment Order, it can be entitled to pursue its alternative contention “as long as the acceptance of the argument would not lead to a reversal or modification of the judgment rather than an affirmance.” See *JH ex rel. JD v. Henrico Cnty. Sch. Bd.*, 326 F.3d 560, 567 n.5 (4th Cir. 2003). Otherwise stated, the filing of a cross-appeal is “unnecessary where an appellee seeks nothing more than to preserve a judgment in its favor.” See *Reynolds v. Am. Nat. Red Cross*, 701 F.3d 143, 155 (4th Cir. 2012) (cleaned up). And that which T-Mobile seeks here is an affirmance of summary judgment in its favor, even if the district court’s abandonment ruling was erroneous. Put succinctly, T-Mobile is entitled to “urge in support of [the summary judgment award] any matter appearing in the record, although [its] argument may involve an attack upon the reasoning of the lower court.” See *El Paso Nat. Gas Co. v. Neztosie*, 526 U.S. 473, 479 (1999). Consistent therewith, we are content to evaluate the alternative contention for affirmance being pursued by T-Mobile, that is, that the summary judgment in its favor can be affirmed in any event.

2.

In pursuing its alternative contention, T-Mobile challenges the legal test that was applied in the Summary Judgment Order. T-Mobile maintains that the district court’s inquiry into “continuous use” of the contested trademark—rather than an abandonment thereof—should apply here because Simply Wireless owned only a common law trademark. On the other

hand, Simply Wireless maintains that, when common law ownership of a trademark has been established, the § 1127 statutory abandonment test is the only proper inquiry for a judicial assessment of whether ownership rights in a trademark have been lost. Although the parties characterize this dispute differently, the legal issue presented is not complicated—i.e., does the statutory abandonment test of § 1127 of Title 15 apply to a common law trademark? If so, the district court properly applied the statutory abandonment test, and T-Mobile’s alternative theory for affirmance must be rejected.

3.

In support of its “continuous use” contention, T-Mobile relies primarily on our 2009 decision in *George & Co. v. Imagination Ent. Ltd.* We therein ruled that the putative owner of a common law trademark (such as Simply Wireless) is entitled to assert priority over a junior user (such as T-Mobile) “so long as that owner continues to make use of the mark.” *See* 575 F.3d 383, 400 (4th Cir. 2009). But that decision did not preclude the district court from applying the statutory abandonment inquiry. As Judge Hamilton explained in *George & Co.* (applying § 1127), when a common law trademark owner has ceased use of “the mark without an intent to resume use in the reasonably foreseeable future,” then “the mark is said to have been abandoned.” *Id.* at 400 (citing *Emergency One I*, 228 F.3d at 535 (internal quotation marks omitted)).¹⁵ Put simply, when common law

¹⁵ T-Mobile’s effort to also rely on the Third Circuit’s decision in *Kars 4 Kids Inc. v. America Can!*, 8 F.4th 209 (3d Cir. 2021), is not persuasive. That decision ruled that the first party to adopt a mark is entitled to assert its ownership “so long as it continuously uses the mark in commerce.” *Id.* at 219. But that discussion was cabined to the initial accrual of ownership rights in a common law trademark. Moreover, the court of appeals therein actually

ownership of a trademark has accrued, those rights persist until—and unless—they are legally abandoned.

In support of T-Mobile’s proposition that § 1127 does not apply to disputes over common law trademarks, T-Mobile resorts to several out-of-circuit authorities, including a district court decision from California. See *Spin Master, Ltd. v. Zobmondo Ent., LLC*, 944 F. Supp. 2d 830 (C.D. Cal. 2012). In *Spin Master*, the California trial court ruled that “the inquiry into common law priority is not controlled by the requirements of abandonment.” *Id.* at 852. We are bound by our precedent, however, and thus reject T-Mobile’s alternative basis for affirmance. Our *Emergency One I* and *Emergency One II* decisions each involved a common law trademark. In applying the statutory abandonment test of § 1127, *Emergency One II* explained that priority to use an “unregistered trademark ... is determined by the first actual use of the mark in a genuine commercial transaction.” See 332 F.3d at 267 (cleaned up). But our good colleague Judge Traxler also recognized that such priority rights “can be lost through abandonment.” *Id.* at 268 (citing *Emergency One I*, 228 F.3d at 535-36). In this situation, after Simply Wireless secured its common law ownership of the trademark SIMPLY PREPAID, the relevant inquiry was whether the trademark had been abandoned, under the two-part test of § 1127. The district court was correct in applying the statutory abandonment test.

determined that the common law owner of the contested trademark “had established continuous use prior to” the junior user’s first use of the trademark, precluding a statutory abandonment. *Id.* For similar reasons, T-Mobile’s reliance on *Airs Aromatics LLC v. Victoria’s Secret Stores Brand Mgmt., Inc.*, 744 F.3d 595 (9th Cir. 2014), is not compelling.

In ruling that the abandonment inquiry applies in an ownership dispute concerning a common law trademark, we reject T-Mobile's invitation to stray from our precedent in the *Emergency One* decisions. In so doing, we also join at least two of our sister circuits and the applicable Restatement in applying the abandonment inquiry to a dispute involving a common law trademark. *See, e.g., Vais Arms, Inc. v. Vais*, 383 F.3d 287, 293-94 (5th Cir. 2004); *Nat. Answers, Inc. v. SmithKline Beecham Corp.*, 529 F.3d 1325, 1329-30 (11th Cir. 2008); *see also* Restatement (Third) of Unfair Competition § 30 cmt. a. (Am. Law Inst. 1995) ("The [abandonment] defense is applicable to infringement claims at common law and to claims for the infringement of marks registered under the Lanham Act."). In these circumstances, T-Mobile's alternative contention for affirmance must be rejected.

IV.

Pursuant to the foregoing, we vacate the Summary Judgment Order and remand for such other and further proceedings as may be appropriate.

VACATED AND REMANDED

RUSHING, Circuit Judge, concurring in the judgment:

I agree that Simply Wireless has—just barely—raised a genuine issue of material fact about whether it intended, during the presumption period, to resume bona fide use of the SIMPLY PREPAID mark in the reasonably foreseeable future. I write separately to clarify the applicable legal standard for abandonment cases at summary judgment and to explain how that standard applies here.

Under the Lanham Act, a trademark owner’s failure to “use” a trademark for three consecutive years triggers a presumption of abandonment. 15 U.S.C. § 1127; *see also id.* (“‘Use’ of a mark means the bona fide use of such mark made in the ordinary course of trade ...”). “Once the presumption is triggered, the legal owner of the mark has the burden of producing evidence of either actual use during the relevant period or intent to resume use” in the “reasonably foreseeable future.” *Emergency One, Inc. v. Am. FireEagle, Ltd.*, 228 F.3d 531, 535–536 (4th Cir. 2000) (internal quotation marks omitted). Because Simply Wireless failed to use the SIMPLY PREPAID mark for three years, it bears the burden of producing evidence of intent to resume use.

Assessing “[w]hether the owner has produced evidence sufficient to meet that burden is a question for the court” to decide on summary judgment, applying well-established standards. *Id.* at 540. Generally speaking, “intent is always a subjective matter of inference and thus rarely amenable to summary judgment.” *ITC Ltd. v. Punchgini, Inc.*, 482 F.3d 135, 150 (2d Cir. 2007) (internal quotation marks omitted). “At the same time, however, the summary judgment rule would be rendered sterile” in the “context of an abandonment dispute” if the “mere incantation of intent or state of mind” could defeat the

presumption of abandonment. *Id.* (internal quotation marks and brackets omitted). For this reason, our Court and other courts have held that a “trademark owner cannot rebut a presumption of abandonment merely by asserting a subjective intent to resume use of the mark at some later date.” *Id.* (collecting cases); *see also Emergency One*, 228 F.3d at 537 (holding that the “owner of a trademark cannot defeat an abandonment claim ... by simply asserting a vague, subjective intent to resume use of a mark at some unspecified future date”). “Rather, to rebut a presumption of abandonment on a motion for summary judgment, the mark owner must come forward with evidence with respect to what outside events occurred from which an intent to resume use during the nonuse period may reasonably be inferred.” *ITC*, 482 F.3d at 150 (internal quotation marks and ellipsis omitted); *see also Emergency One*, 228 F.3d at 537, 540.*

Simply Wireless has presented enough evidence to reasonably infer intent to resume use during the presumption period, satisfying its burden of production. According to its CEO’s declaration, Simply Wireless “began negotiating with Ignite Media” in “early 2011” “about selling cellular phones and airtime” through Ignite Media’s website and those “negotiations focused on the use

* The majority rightly cites this caselaw, *see* Maj. Op. 16–17, 19, but its selective paraphrase could lead readers to mistakenly believe that *anything* more than a subjective intent to resume use will defeat summary judgment in an abandonment case. That is not our law. *See Emergency One*, 228 F.3d at 540. Nor is it the rule of the *ITC* decision, which the majority endorses. *See* Maj. Op. 17, 19. There, the Second Circuit held that the mark owner failed to adduce evidence from which a reasonable jury could infer intent to resume use, even though the owner marshaled evidence of corporate meeting minutes, marketing studies, minor sales, trade show exhibitions, and business communications involving the mark before, during, and after the presumption period. *See ITC*, 482 F.3d at 151–153.

of the SIMPLY PREPAID mark.” J.A. 676–677; *see also, e.g., Crash Dummy Movie, LLC v. Mattel, Inc.*, 601 F.3d 1387, 1391 (Fed. Cir. 2010) (explaining that owner’s “enter[ing] into discussions” with third party about selling products bearing the mark could support an intent to resume use, even where no agreement resulted). A January 2011 communication from Ignite Media to Simply Wireless somewhat corroborates this account, although it never mentions SIMPLY PREPAID. More support comes from evidence of a proposed partnership agreement between Simply Wireless and Ignite Media in July 2012—six months after the close of the presumption period—and sales using the SIMPLY PREPAID mark between July 2012 and April 2013 on Ignite Media’s website. *Cf. ITC*, 482 F.3d at 152–153 (holding that “unsolicited proposals” regarding use of the owner’s trademark did not defeat the presumption of abandonment because there was “no evidence” that the owner “seriously considered these unsolicited proposals in a manner that would permit a reasonable jury to infer its intent to resume use”). Together, this evidence could permit a reasonable jury to infer that, during the presumption period, Simply Wireless formed an intent to resume bona fide use of the mark in the reasonably foreseeable future.

Absent this, Simply Wireless’s evidence would be woefully insufficient. The CEO’s declaration that Simply Wireless “never intended to abandon SIMPLY PREPAID” and “always intended to resume use of the SIMPLY PREPAID trademark,” J.A. 676, is an assertion of “vague, subjective intent to resume use,” *Emergency One*, 228 F.3d at 537. Such statements “cannot defeat an abandonment claim,” *id.*, so the district court was right to discount them, contrary to what the majority suggests, *see* Maj. Op. 22–23. Relatedly, Simply Wireless’s alleged display of the SIMPLY PREPAID mark “on the

[interior] walls” of its office does not show an intent to resume bona fide use in the reasonably foreseeable future. J.A. 681; *see Imperial Tobacco Ltd. v. Philip Morris, Inc.*, 899 F.2d 1575, 1581 (Fed. Cir. 1990) (explaining that the Lanham Act requires showing “intent to resume use” not merely “intent not to abandon” (quoting *Exxon Corp. v. Humble Expl. Co.*, 695 F.2d 96, 102 (5th Cir. 1983)); *cf.* Maj. Op. 28 n.14. Nor does renewing the domain name for its website, which remained dormant from 2009 to 2014. *See Specht v. Google Inc.*, 758 F. Supp. 2d 570, 593 (N.D. Ill. 2010) (maintaining “a functional yet almost purposeless website” cannot “prevent the abandonment of a mark”), *aff’d*, 747 F.3d 929 (7th Cir. 2014). And the sales from 2015 onward are too far removed from the presumption period to reasonably infer an intent to resume use. *See, e.g., ITC*, 482 F.3d at 152 (holding that sales occurring three years after presumption period were “insufficient to support the necessary inference that, *in the non-use period*, [the owner] maintained an intent to resume use”); *cf.* Maj. Op. 9 n.8. Even Simply Wireless’s strongest evidence—the CEO declaration—is undercut by its reliance on a purportedly “representative example[]” of the “communications between Simply Wireless and Ignite Media” in 2011 that makes *no mention* of SIMPLY PREPAID. J.A. 677; *see also* Maj. Op. 25.

For these reasons, a jury could reasonably infer, as the district court did, that between 2009 and 2011 Simply Wireless did not intend to resume bona fide use of the mark in the reasonably foreseeable future. But that same jury could also infer intent to resume use. Therefore, Simply Wireless’s “equivocal” evidence is enough to satisfy its burden of production at summary judgment. *Emergency One*, 228 F.3d at 538. Because the majority reaches the same ultimate conclusion, I respectfully concur in the judgment.

APPENDIX B

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division

SIMPLY WIRELESS, INC.,
Plaintiff,

v.

T-MOBILE US, INC., *formerly known as*
T-Mobile USA, Inc., et al.,
Defendants.

Civil Action No. 1:21-cv-00597 (AJT/JFA)

Public Version

MEMORANDUM OPINION AND ORDER

This long-running trademark dispute concerns the ownership of the mark SIMPLY PREPAID (“the Mark”). Plaintiff Simply Wireless, Inc. (“Plaintiff” or “Simply Wireless”) first used the Mark in commerce in 2002 and continued to use the Mark through 2008, at which time it discontinued using the Mark based on its assessment of an industry-wide shift in the market away from prepaid airtime for mobile phones. Defendants T-Mobile US, Inc. and T-Mobile USA, Inc.’s (“Defendants” or “T-Mobile”) first use of the Mark in commerce began in June, 2014, soon after which T-Mobile filed for registration of the Mark in August, 2014. Following the discontinuation of its use of the Mark beginning in 2009, Simply Wireless did not again use the Mark until July 31, 2012, over three-and-a-half years later, and then only until April 25, 2013, on a different platform and with limited sales. In sum, Simply Wireless used the Mark in

only essentially nine of the approximately sixty-five months that preceded T-Mobile's first use and registration application and then only in a transitory, limited, and economically marginal manner.

After learning of T-Mobile's use of the Mark in August, 2014, Simply Wireless filed its own application for registration of the Mark on October 2, 2014, and then again began using the Mark in connection with the sale of products a year later, on October 4, 2015, with sales substantially ceasing by the end of 2016 and altogether by March 31, 2018. Since 2019, Simply Wireless's use of the Mark remains completely nonexistent. On the other hand, since it first introduced the Mark, T-Mobile's use has been consistent and prominent.

In this action, Simply Wireless alleges that T-Mobile has infringed its common law ownership of the SIMPLY PREPAID mark; and based on that contention has asserted claims for: (1) trademark infringement under Section 32 of the Lanham Act, 15 U.S.C. § 1114 (Count I); (2) trademark infringement under Virginia Code § 59.1-92.12 (Count II); (3) unfair competition, passing off, trade name infringement, trademark infringement and false designation of origin under Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (Count III) and the common law (Count IV); and (4) trademark dilution under Section 43(c) of the Lanham Act, 15 U.S.C. § 1125(a) (Count V). *See* [Doc. No. 1] ("Compl.").¹ In response, T-

¹ Plaintiff requests the following relief: (1) that Defendants be enjoined from using the trademark SIMPLY PREPAID or any other trademark beginning with SIMPLY for any telecommunications goods or services, including, but not limited to, any of the goods or services identified in T-Mobile's pending applications at the USPTO; (2) an order that T-Mobile be required to provide and deliver to the Court for destruction all materials that use the trademark SIMPLY PREPAID; (3) Simply Wireless be awarded

Mobile contends that since Simply Wireless discontinued its use of the SIMPLY PREPAID mark prior to T-Mobile's first use of the Mark, it now has priority over the Mark's use.² Plaintiff and Defendants have filed cross motions for summary judgment. [Doc. Nos. 184, 189] (together, the "Motions for Summary Judgment").³

damages; (4) a finding that the case is "exceptional" due to T-Mobile's alleged willful and deliberate infringement of Plaintiff's rights and an award of enhanced damages, reasonable attorney's fees, and other litigation expenses; (5) punitive damages; (6) a directive to the USPTO that it incorporate a judgment of trademark infringement against T-Mobile as part of the contents of its pending trademark applications; (7) a determination that T-Mobile is not entitled to registration of pending trademark applications and that an order refusing registration of the pending applications be certified to the USPTO Director; (8) a determination that Simply Wireless's pending application is in condition for publication and an order certifying publication to the USPTO Director; and (9) any further relief the Court deems just and appropriate.

² T-Mobile has filed Counterclaims [Doc. No. 11], in which it seeks (1) an order directing the USPTO to cancel registration of Plaintiff's SIMPLY WIRELESS trademarks under 5 U.S.C. § 1119 (Count I); (2) an order directing the USPTO to cancel Plaintiff's Application Serial No. 86/412,692 under 5 U.S.C. § 1119 (for the mark SIMPLY PREPAID) (Count II); and (3) a declaratory judgment as to its rights in the SIMPLY PREPAID mark (Count III).

³ Also pending are (1) Plaintiff Simply Wireless, Inc.'s Motion to Exclude the Expert Report and Testimony of Dr. Naomi Baron, Ph.D. [Doc. No. 180]; (2) Plaintiff Simply Wireless, Inc.'s Motion to Exclude the Expert Report and Testimony of Theodore Moon [Doc. No. 181]; (3) Plaintiff Simply Wireless, Inc.'s Motion to Exclude the Surveys and Testimony of Hal Poret and Philip Johnson [Doc. No. 182]; (4) Plaintiff Simply Wireless, Inc.'s Motion to Exclude the Expert Report and Testimony of Shirley Webster [Doc. No. 183]; (5) Defendants' Motion to Exclude the Expert Opinions of Mr. Terry Hsu [Doc. No. 185]; (6) Defendants' Motion to Exclude the Expert Opinions of Dr. Simon Blanchard [Doc. No. 186]; (7) Defendants' Motion to Exclude the Expert Opinions of Dr. Natalie Schilling [Doc.

As discussed below, this case raises somewhat unresolved issues within the Fourth Circuit concerning the legal standard by which to determine priority ownership of a common law mark. More specifically, the issue is whether Simply Wireless's priority is to be determined by whether its use in commerce was deliberate and continuous, not sporadic, casual or transitory, through the date of T-Mobile's first use in June, 2014, or, after it had established its common law ownership by its deliberate and continuous use in commerce from 2002-2008, whether it had abandoned the Mark as of T-Mobile's first use in June, 2014.

Upon consideration of the Motions for Summary Judgment, the memoranda submitted in support thereof and in opposition thereto, the arguments presented by counsel at the hearing held on February 16, 2022, and the supplemental hearing held on April 19, 2022, the Court concludes that an abandonment analysis, rather than a deliberate and continuous use analysis, controls. After applying abandonment principles, the Court further concludes, as discussed below, that there are no genuine issues of material facts; and as a matter of law Simply Wireless had abandoned the Mark prior to the date of T-Mobile's first use in June, 2014 and did not thereafter re-establish common law ownership over the Mark. Accordingly, T-Mobile is entitled to judgment in its favor with respect to Plaintiff's claims as a matter of law. Defendants' Motion for Summary Judgment is therefore

No. 187]; and (8) Defendants' Motion to Exclude the Expert Opinions of Mr. Todd W. Schoettelkotte [Doc. No. 188] (together, the "Motions in Limine"). Given the Court's ruling on the Motions for Summary Judgment, the Motions in Limine are hereby DENIED as moot.

GRANTED and Plaintiff's Motion for Summary Judgment is DENIED.⁴

I. BACKGROUND

The following facts are undisputed unless otherwise noted.⁵

From 1997 through 2009, Simply Wireless offered and sold third-party cell phones and accessories through its SIMPLY WIRELESS brick and mortar retail stores. *See* [Doc. No. 198], (Plaintiff's Statement of Undisputed Facts (hereinafter "PUF")), ¶ 3.⁶ Beginning in 2009, Simply Wireless either closed its brick and mortar locations using the name SIMPLY WIRELESS or converted them to exclusive Sprint dealerships, which were operated under the name "Mobile Now." [Doc. No. 256],

⁴ Also before the Court are (1) Plaintiff's Motion for Leave to File Hearing Slides and Supplemental Authority [Doc. No. 312] and (2) Defendants' Motion for Leave to File Sur-Reply in Opposition to Plaintiff's Motion for Leave to File Hearing Slides and Supplemental Authority [Doc. No. 327]. The Court has considered the substance of and the attachments to those motions in reaching its decisions set forth herein and those motions will be granted.

⁵ The parties have filed cross-motions for summary judgment, with separate statements of material and disputed facts. Nevertheless, the parties generally agree on the relevant dates and facts pertaining to priority ownership of the Mark. However, there are certain facts the parties dispute, in particular, those pertaining to Simply Wireless's use of the Mark. Nevertheless, the Court has considered both summary judgment motions based on the record with respect to both as a whole, noting disputes where appropriate.

⁶ Defendants dispute this fact, claiming, in part, that the data "does not show sales before 2001 and does not for any year show what products were sold or which sales were unique to physical stores." [Doc. No. 256], PUF Response ¶ 3; *see also* [Doc. No. 209-11], Ex. 29.

PUF Response ¶ 3; *see also* [Doc. No. 208], Ex. 24 (S. Qureshi Dep. Tr.) at 78:7-79:6.

Overall, Simply Wireless has not operated a store under the name SIMPLY WIRELESS since 2009, [Doc. No. 209-2], (Defendants' Statement of Undisputed Facts (hereinafter "DUF")), ¶ 1, and from 2010 onwards, did business under the names of other companies other than Simply Wireless and shifted all of its non-brick-and-mortar Simply Wireless channels of sales to those companies. *See* [Doc. No. 209-2], DUF ¶ 2; [Doc. No. 209-11], Ex. 29; [Doc. No. 208], Ex. 24 (S. Qureshi Tr.) at 136:3-139:8. Since 2011, Simply Wireless has not made any sales under, or spent money advertising, the SIMPLY WIRELESS brand. *See* [Doc. No. 209-2], DUF ¶ 2; [Doc. No. 209-11], Ex. 29. Simply Wireless's website www.simplywireless.com was non-operational at a minimum between February 2012 and December 2014, and potentially as early as 2009. *See* [Doc. No. 209-2], DUF ¶ 3; [Doc. No. 208-2], Ex. 31; [*id.*], Ex. 32; [*id.*], Ex. 37; [Doc. No. 208-1], Ex. 24 (S. Qureshi Tr.) at 82:16-19.

A. Simply Wireless's Use of the Mark

Simply Wireless does not own a registered trademark for the name "Simply Prepaid." [Doc. No. 209-2], DUF ¶ 4. Simply Wireless has never operated a brick and mortar store under the name SIMPLY PREPAID. [Doc. No. 209-2], DUF ¶ 1; [Doc. No. 246], DUF Response ¶ 1. Since 2002, Simply Wireless owned and maintained the domain name www.simplyprepaid.com ("simply prepaid website"); and from 2002 through 2008, offered pre-paid airtime for cell phones through that website. [Doc No. 198], PUF ¶¶ 4, 9; [Doc. No. 198-1] (Declaration of Steven Qureshi) (hereinafter "S. Qureshi

Decl.”)), ¶¶ 4, 9, Ex. 5.⁷ Between 2002 and 2008, the SIMPLY PREPAID mark generated more than \$20 million in revenue for Simply Wireless. [Doc. No. 198], PUF ¶ 5; S. Qureshi Decl. ¶ 5, Ex. 2.⁸

Beginning in 2009, Simply Wireless “paused” its sales through the simply prepaid website based on its assessment of an industry-wide shift away from prepaid refills (like the ones sold through the simply prepaid website). [Doc. No. 198], PUF ¶ 10; S. Qureshi Decl. ¶ 10.⁹ Simply Wireless left the simply prepaid website inactive from at least 2009 (when Simply Wireless re-branded its physical stores to Mobile Now) until mid-August 2014. [Doc. No. 209-2], DUF ¶ 8.

Between 2009 and 2015, Simply Wireless’s owners did not use the SIMPLY PREPAID mark in connection with its other companies, including Mobile Now, to which it had shifted both its SIMPLY WIRELESS brick and mortar and non-brick and mortar business, and through those businesses generated hundreds of millions of dollars in revenues without the use of the Mark.

⁷ T-Mobile disputes this fact, contending that Simply Wireless has proffered insufficient evidence to establish (1) that the simply prepaid website was continuously operational from 2002-2008; (2) that sales were continuously made on that website using the Simply Prepaid name; and (3) what products or services were sold through that website. [Doc. No. 256], PUF Response ¶ 4.

⁸ However, as T-Mobile points out, the underlying data or records to support this claim are minimal at best. [Doc. No. 332-1], Defs. Slides at 5-8. Moreover, it appears the simply prepaid website operated under a different name, “Prepaid Refills,” in 2008. [*Id.*], at 9.

⁹ T-Mobile disputes this characterization, contending that Plaintiff completely ceased using the website entirely in 2009, only resurrecting it in December 2014 after becoming aware of T-Mobile’s Simply Prepaid store. [Doc. No. 256], PUF Response ¶ 10.

[Doc. No. 209-2], DUF ¶ 6; [Doc. No. 208-1], Ex. 24 (S. Qureshi Tr.) at 234:14-22; [Doc. No. 209-11], Ex. 29; S. Qureshi Decl. ¶ 3. From 2002 to 2019, Simply Wireless did, however, display the SIMPLY PREPAID mark at its Virginia office along with the marks of Simply Wireless's other brands. [Doc. No. 198], PUF ¶ 20; S. Qureshi Decl. ¶ 20.¹⁰

Following the discontinuation of the use of the SIMPLY PREPAID mark in 2009, Simply Wireless did not again use the Mark in commerce until July 31, 2012, when it sold prepaid cell phones through the website toptvstuff.com ("toptvstuff"). [Doc. No. 209-2], DUF ¶ 6; [Doc. No. 208-1], Ex. 24 (S. Qureshi Tr.) at 234:3-13. That use continued from July 31, 2012 to April 25, 2013, earning Plaintiff approximately \$15,546 in sales. [Doc. No. 198], PUF ¶¶ 11-14; [Doc. No. 209-2], DUF ¶ 6; [Doc. No. 208-1], Ex. 24 (S. Qureshi Tr.) at 234:3-13; [Doc. No. 209-11], Ex. 29.¹¹ The revenue from that site was generated from 277 transactions from 44 states; 10 states only accounted for one sale apiece, another 26 states accounted for less than ten sales each, and the remaining 8

¹⁰ T-Mobile disputes this fact, arguing that Plaintiff has failed to put forth evidence establishing that Plaintiff continually displayed the SIMPLY PREPAID mark during the entire 2002 to 2019 period. [Doc. No. 256], PUF Response ¶ 20.

¹¹ T-Mobile disputes that Plaintiff has proffered any evidence that these sales were under the SIMPLY PREPAID mark. [Doc. No. 256], PUF Response ¶ 14. Plaintiff also contends that during this same period, it used the SIMPLY PREPAID mark through advertisements and other promotional materials, reaching approximately 500,000 consumers in all 50 states. [Doc. No. 198], PUF ¶ 13; S. Qureshi Decl. ¶ 13. T-Mobile again disputes this fact, contending that other than "Mr. Qureshi's self-serving declaration," Plaintiff has not put forth evidence supporting this fact. [Doc. No. 256], PUF Response ¶ 13.

states accounted for nearly 50% of the total transactions with the highest number of sales (36) coming from one state. [Doc. No. 198], PUF ¶ 14; S. Qureshi Decl. ¶ 14, Ex. 2; [Doc. No. 333-1], Pl. Slides at 36. Simply Wireless did not make any sales to customers in 6 states. Simply Wireless also paid \$25,000 to market on toptvstuff and paid a commission on each sale made through toptvstuff. [Doc. No. 198], PUF ¶ 15; [Doc. No. 199-1], Ex. 2 (S. Qureshi Tr.) at 152:21-153:8.¹² After Simply Wireless's last sale associated with toptvstuff on April 25, 2013, it took no substantive, public-facing action with respect to using the SIMPLY PREPAID mark until October 2, 2014, when it filed a registration application for the Mark with the United States Patent and Trademark Office ("USPTO"), post-dating T-Mobile's registration application for the Mark, which T-Mobile filed on August 13, 2014. [Doc. No. 209-2], DUF ¶¶ 6, 15.

In December 2014, Simply Wireless "launched" a "revamped Simply Prepaid website." [Doc. No. 198], PUF ¶ 17; S. Qureshi Decl. ¶ 17. Simply Wireless did not, however, begin offering the sale of prepaid cellular phones through the simply prepaid website until 2016. [*Id.*] The last sale Simply Wireless made through the simply prepaid website occurred on March 31, 2018; Simply Wireless then stopped offering the sale of any products through the Simply Prepaid website as of 2019. [*Id.*]; S. Qureshi Decl., Ex. 2 at PageID# 4782; [Doc. No. 209-11], Ex. 29. During that roughly three-year

¹² T-Mobile disputes this fact. [Doc. No. 256], PUF Response ¶ 15. While Mr. Qureshi testified that Simply Wireless did not spend any money on advertising in its relationship with toptvstuff, he did testify that Simply Wireless paid "some sort of a bounty." [Doc. No. 199-1], Ex. 2 (S. Qureshi Tr.) 152:21-153:8. Moreover, there is a September 2012 invoice for \$25,000 from Ignite Media to Simply Wireless. S. Qureshi Decl., Ex. 8 at SW090338.

period (2016-2018), Simply Wireless earned approximately \$7,000¹³ from transactions through the “re-vamped” Simply Prepaid website. S. Qureshi Decl., Ex. 2.¹⁴

Simply Wireless did not spend any money advertising the name SIMPLY PREPAID between 2009 and October 2014. [Doc. No. 209-11], Ex. 29; [Doc. No. 208-1], Ex. 24 (S. Qureshi Tr.) at 158:5-9, 231:12-20. In October 2014, Simply Wireless spent \$25,000 advertising the Mark on a Petit LeMans Race Car. [Doc. No. 333-1], Pl. Slides at 17; [Doc. No. 209-11], Ex. 29; [Doc. No. 208-1], Ex. 24 (S. Qureshi Tr.) 158:16-159:13, 230:6-231:20; [Doc. No. 208-2], Ex. 39. In May 2015, Simply Wireless spent \$10,000 advertising the Mark in connection with the Avon 39 Walk to End Breast Cancer in Washington, D.C. [Doc. No. 333-1], Pl. Slides at 19; [Doc. No. 209-11], Ex. 29; [Doc. No. 208-1], Ex. 24 (S. Qureshi Tr.) 158:16-159:13.

From 2015 to 2016, Simply Wireless generated over \$1,000,000 in sales through “Amazon Marketplace” using the SIMPLY PREPAID mark. [Doc. No. 198], PUF ¶ 18; S. Qureshi Decl. ¶ 18; [Doc. No. 209-11], Ex. 29.¹⁵ The first sale through Amazon Marketplace did not occur until October 4, 2015. *See* S. Qureshi Decl., Ex. 2 at

¹³ Plaintiff only claims to have made \$6,500 in Amazon sales but its records indicate the amount is around \$7,000. *Compare* S. Qureshi Decl. ¶ 17, *with* [Doc. No. 209-11], Ex. 29; S. Qureshi Decl., Ex. 2.

¹⁴ T-Mobile disputes this fact, citing Plaintiff’s failure to provide records establishing these sales. [Doc. No. 256], PUF Response ¶ 17.

¹⁵ T-Mobile disputes this fact, contending that Simply Wireless fails to put forward evidence establishing that any of these sales were associated with the Mark. [Doc. No. 256], PUF Response ¶ 18.

PageID# 4785. Simply Wireless has not spent any money advertising the name Simply Prepaid as of 2017 and has not made any sales using the Mark since March 31, 2018. [Doc. No. 209-2], DUF ¶ 5; [Doc. No. 209-11], Ex. 29.

Simply Wireless stopped using the SIMPLY PREPAID mark as of 2019. [Doc. No. 198], PUF ¶ 23, but proffers that since that time, “the family of companies operated by [Simply Wireless’s owners] have experienced a temporary business interruption, but Simply Wireless intends to resume use of both SIMPLY WIRELESS and SIMPLY PREPAID.” [*Id.*]

B. T-Mobile’s Use of the Mark

T-Mobile dealers began operating retail stores under the SIMPLY PREPAID name in June, 2014 and T-Mobile filed an application to register the SIMPLY PREPAID mark on August 13, 2014. [Doc. No. 209-2], DUF ¶ 15. Industry press began reporting on T-Mobile’s stores in August, 2014, and, in January, 2015, T-Mobile began offering prepaid plans using the SIMPLY PREPAID mark. [Doc. No. 198], PUF ¶ 26; [Doc. No. 256], PUF Response ¶ 26. T-Mobile has continued to use the Mark, earning more than [REDACTED] billion in revenues received from wireless services sold in connection with the SIMPLY PREPAID mark. [Doc. No. 198], PUF ¶ 39; [Doc. No. 256], PUF Response ¶ 39.

Simply Wireless learned of T-Mobile’s plan to use the Mark in August, 2014. [Doc. No. 198], PUF ¶ 33; S. Qureshi Decl. ¶ 23. On October 2, 2014, several months after T-Mobile began using the name SIMPLY PREPAID for certain prepaid-only retail store locations, Simply Wireless applied to register SIMPLY PREPAID at the USPTO, reciting a date of first use of June 30, 2002. [Doc. No. 198], PUF ¶ 43; S. Qureshi Decl. ¶ 26,

Ex. 14. The USPTO proceedings as to the parties' applications have been stayed pending resolution of this case. [Doc. No. 208-4], Ex. 77.

II. LEGAL STANDARD

“When faced with cross-motions for summary judgment, the court must review each motion separately on its own merits ‘to determine whether either of the parties deserves judgment as a matter of law.’” *Rossignol v. Voorhaar*, 316 F.3d 516, 523 (4th Cir. 2003) (citation omitted); see also *Desmond v. PNGI Charles Town Gaming, L.L.C.*, 630 F.3d 351, 354 (4th Cir. 2011) (“When cross-motions for summary judgment are before a court, the court examines each motion separately, employing the familiar standard under Rule 56 of the Federal Rules of Civil Procedure.” (citation omitted)).

Under Federal Rule of Civil Procedure 56, summary judgment is appropriate only if the record shows that “there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.” Fed. R. Civ. P. 56(c); see also *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-48 (1986); *Evans v. Techs. Apps. & Serv. Co.*, 80 F.3d 954, 958-59 (4th Cir. 1996). The party seeking summary judgment has the initial burden to show the absence of a material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 325 (1986). A genuine issue of material fact exists “if the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” *Anderson*, 477 U.S. at 248. Once a motion for summary judgment is properly made and supported, the opposing party has the burden of showing that a genuine dispute exists. *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586-87 (1986). To defeat a properly supported motion for summary judgment, the non-moving party “must set forth specific facts showing

that there is a genuine issue for trial.” *Anderson*, 477 U.S. at 247-48 (“[T]he mere existence of *some* alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there be no *genuine* issue of *material fact*.”). Whether a fact is considered “material” is determined by the substantive law, and “[o]nly disputes over facts that might affect the outcome of the suit under the governing law will properly preclude the entry of summary judgment.” *Id.* at 248. The facts shall be viewed, and all reasonable inferences drawn, in the light most favorable to the non-moving party. *Id.* at 255; *see also Lettieri v. Equant Inc.*, 478 F.3d 640, 642 (4th Cir. 2007).

III. ANALYSIS

Plaintiff Simply Wireless has moved for summary judgment in its favor on Counts III, IV, and VI of the Complaint and on the T-Mobile Defendants’ second and third counterclaims alleging abandonment of the SIMPLY PREPAID mark. Defendant T-Mobile has moved for summary judgment in its favor on all of Simply Wireless’s claims.¹⁶ In relevant part, the parties’ cross-motions for summary judgment focus on the same issue: priority ownership of the Mark. Specifically, Simply Wireless moves for summary judgment on T-Mobile’s affirmative defense of abandonment, [Doc. No. 198], at 25-27, and T-Mobile moves for summary judgment on the grounds that Simply Wireless cannot establish ownership of the Mark, either because of Simply Wireless’s lack of continuous use or, alternatively,

¹⁶ T-Mobile has not moved for summary judgment on its counterclaims.

abandonment, [Doc. No. 209-2], at 6-10, 10 n.4.¹⁷ Because the threshold issue is whether Simply Wireless has ownership of the SIMPLY PREPAID mark under the common law, the Court first considers that issue under Count IV, alleging T-Mobile's infringement of the Mark based on Simply Wireless's common law ownership. Although both parties have moved for summary judgment in their favor as to that issue, the Court first considers that issue within the context of T-Mobile's Motion for Summary Judgment and therefore has viewed the facts, and all reasonable inferences to be drawn therefrom, in a light most favorable to Simply Wireless, the non-moving party.¹⁸

A. Trademark Infringement at Common Law
(Count IV)¹⁹

Simply Wireless contends that by virtue of its actual first use in 2002 of SIMPLY PREPAID, which it

¹⁷ T-Mobile's brief in support of its Motion for Summary Judgment focused primarily on Simply Wireless's failure to show exclusive use in any geographic area or continuous use, but nevertheless raised the abandonment issue as well, albeit it in a footnote. T-Mobile expanded its abandonment arguments in its reply brief in support of its Motion for Summary Judgment, [Doc. No. 277], at 9-11, and its supplemental argument before the Court, [Doc. No. 332-1].

¹⁸ Reflecting that the parties have largely incorporated both their continuous use and abandonment arguments into their respective briefing, the Court has considered the parties' arguments as presented in both their briefing in support of their respective motions for summary judgment as well as their oppositions. At bottom, in terms of abandonment, Simply Wireless moves for summary judgment, in part, on the grounds that, as a matter of law, it did not abandon the Mark while T-Mobile moves for summary judgment on the grounds that, as a matter of law, Simply Wireless did abandon the Mark.

¹⁹ In Count III, Plaintiff brings a trademark infringement claim under Section 43(a) of the Lanham Act, which also provides

contends is a “distinctive mark,” it has priority over T-Mobile’s subsequent first use in June, 2014. In response, T-Mobile argues that Simply Wireless lacks ownership of the Mark for two separate reasons: (1) Simply Wireless fails to show continuous use of the Mark from 2002 up to and until T-Mobile’s first use in June, 2014; and (2) Simply Wireless had abandoned the Mark, thereby allowing T-Mobile to take ownership of the Mark and become the senior user.

As discussed below, the Court finds that Simply Wireless sufficiently established that it had engaged in “deliberate and continuous” use of the SIMPLY PREPAID Mark from 2002-2008 and therefore acquired certain common law rights in the Mark as the first or senior user of the Mark. Nevertheless, the Court concludes, as a matter of law, that Simply Wireless failed to “use” the Mark, as that term is defined in the Lanham Act, from 2009 to July, 2012, and failed to rebut the mandatory inference of intent not to resume use established by those more than three-and-a-half years of non-use. Accordingly, as a matter of law, Simply Wireless abandoned the Mark as of 2012 and it did not accrue a new protectible ownership interest through its intermittent, limited use of the Mark during a nine-month period from late-July 2012 to April 2013 or through its subsequent use.

protection to common law marks. *See Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 30 (2003) (noting that Section 43(a) “create[es] a federal cause of action for traditional trademark infringement of unregistered marks”); *see also Perini Corp. v. Perini Constr., Inc.*, 915 F.2d 121, 124 (4th Cir. 1990). The test for Virginia common law trademark infringement is essentially the same as that under the Lanham Act. *See Swatch AG v. Beehive Wholesale, LLC*, 739 F.3d 150, 162 (4th Cir. 2014).

Lack of Continuous Use

The criteria for determining whether there has been “continuous use” of a common law trademark appears somewhat unclear and unsettled, particularly as to the role, if any, the doctrine of abandonment should play, and to what extent a first user can preserve its priority over a subsequent user despite periods of non-use. Nevertheless, there are settled principles that operate with respect to these issues.

As a threshold matter, “[c]ommon law determines who enjoys the exclusive right to use an unregistered trademark, the extent of such rights, and the proper geographical scope of any injunctive relief necessary to protect against the infringement of such rights.” *Emergency One, Inc. v. Am. Fire Eagle Engine Co.*, 332 F.3d 264, 267 (4th Cir. 2003) (“*Emergency One II*”) (citation omitted). At common law, “the putative owner bears the burden of establishing ownership of the disputed mark in any trademark infringement action.” *Brittingham v. Jenkins*, 914 F.2d 447, 452 (4th Cir. 1990). Trademark ownership of an unregistered mark “is acquired by actual use of the mark in a given market.” *Emergency One II*, 332 F.3d at 267 (citation omitted). “To acquire ownership of a trademark it is not enough to have invented the mark first or even to have registered it first; the party claiming ownership must have been the first to actually use the mark in the sale of goods or services.” *Id.* (quoting *Sengoku Works Ltd. v. RMC Int’l, Ltd.*, 96 F.3d 1217, 1219 (9th Cir. 1996)); see also *B & B Hardware, Inc. v. Hargis Indus., Inc.*, 575 U.S. 138, 142 (2015) (“One who first uses a distinct mark in commerce thus acquires rights to that mark.” (citation omitted)). In light of those principles, the first user to appropriate and use a particular mark generally has priority to use the mark to the exclusion of any subsequent or junior users. See

Emergency One II, 332 F.3d at 267 (“When more than one user claims the exclusive right to use an unregistered trademark, priority is determined by ‘the first actual use of [the] mark in a genuine commercial transaction.’” (alteration in original) (citation omitted)); *see also Hana Fin., Inc. v. Hana Bank*, 574 U.S. 418, 419 (2015) (“Rights in a trademark are determined by the date of the mark’s first use in commerce. The party who first uses a mark in commerce is said to have priority over other users.”); *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 100 (1918) (“[T]he general rule is that, as between conflicting claimants to the right to use the same mark, priority of appropriation determines the question.” (citations omitted)). Despite these settled principles, T-Mobile contends that the first-in-time, first-in-right principle does not completely resolve the present dispute. Relying on Fourth Circuit precedent, T-Mobile argues that an owner of an unregistered mark must show “continuous use,” *i.e.*, that the owner must show its use of the mark was “deliberate and continuous, not sporadic, casual or transitory.” *Larsen v. Terk Techs. Corp.*, 151 F.3d 140, 146 (4th Cir. 1998) (quoting *La Société Anonyme des Parfums le Galion v. Jean Patou, Inc.*, 495 F.2d 1265, 1271-72 (2d Cir. 1974)).

Although it appears under Fourth Circuit precedents that an owner of a common law mark must show “deliberate and continuous use,” neither the parties nor this Court have located Fourth Circuit authority clearly instructing on the meaning of “continuous,” specifically, whether the first user must only show use for a substantial period of time or must show use to the present day or, at least, through the time of the subsequent user’s first use. The Fourth Circuit case that has most directly delved into this issue, *Emergency One I*, analyzed the issue of continuous use based on the doctrine of

abandonment, but only because the parties' pre-trial stipulations narrowed the case down to that one issue. See *Emergency One, Inc. v. Am. Fire Eagle Engine Co.*, 228 F.3d 531, 533 (4th Cir. 2000) ("*Emergency One I*"); see also *Emergency One II*, 332 F.3d at 266-67 (pronouncement regarding standard for common law priority came in the context of evaluating scope of injunction after a jury made a liability determination).

Other circuits appear to require a common law owner to establish continuous use through the date of a competing use. See, e.g., *Kars 4 Kids Inc. v. Am. Can!*, 8 F.4th 209, 219 (3d Cir. 2021) ("With respect to ownership of an unregistered mark, the first party to adopt a mark can assert ownership *so long as it continuously uses* the mark in commerce." (quoting *Com. Nat'l Ins. Servs., Inc. v. Com. Ins. Agency, Inc.*, 214 F.3d 432, 438 (3d Cir. 2000)) (cleaned up) (emphasis added)); *Airs Aromatics LLC v. Victoria's Secret Stores Brand Mgmt., Inc.*, 744 F.3d 595, 599 (9th Cir. 2014) ("To establish a protectible ownership interest in a common law trademark, the owner must 'establish not only that he or she used the mark before the mark was registered, but also that *such use has continued to the present.*'" (quoting *Watec Co., Ltd. v. Liu*, 403 F.3d 645, 654 (9th Cir. 2005)) (emphasis added)). And T-Mobile relies on several cases that appear to support its contention that common law trademark owners must continuously use a mark in commerce in order to retain their trademark rights. For example, in *Causal Corner*, the defendant, the prior user, argued on appeal that it possessed a common law right to use the disputed mark because its use of the mark began prior to plaintiff's use. *Casual Corner Assocs., Inc. v. Casual Stores*, 493 F.2d 709, 712 (9th Cir. 1974). Given that the defendant used the mark before the plaintiff, the district court concluded that "the pivotal issue [was] whether

there ha[d] been a continuing use” by the defendant. *Id.* (“To be a continuing use, the use must be maintained without interruption.”). On appeal, the Ninth Circuit affirmed the trial court’s decision that the defendant did not establish continuing use because of a “one-year period” of “complete nonuse of the mark,” and, as a result, did not have a common law right to use the mark. *Id.*

The district court in *Spin Master* took *Casual Corner* one step further, concluding that while *Casual Corner* addressed the meaning of “continuing” as used in 15 U.S.C. § 1065,²⁰ “there is nothing to suggest that the same rule does not apply to a common law priority claim.” *Spin Master, Ltd. v. Zobmondo Entm’t, LLC*, 944 F. Supp. 2d 830, 851 (C.D. Cal. 2012). The *Spin Master* court also rejected the contention that in the context of competing common law rights, the “‘continuous use’ requirement is tantamount to ‘abandonment;’” holding that “even when only competing common law rights are at issue: the party claiming common law priority (here, [defendant]) bears the burden to show continuing use” and “requiring a showing of abandonment would shift the burden to the party challenging priority (here, [plaintiffs]) to show both a break in use and intent not to resume use.” *Id.* at 851-52 (“Thus, the inquiry into common law priority is not controlled by the requirements of abandonment.”); *see also* *Airs Aromatics*, 744 F.3d at 599-600 (requiring common law trademark owner to allege “continuous usage” in order to bring a cognizable claim for trademark infringement and dismissing claim on that basis where plaintiff had seven years of non-use).

²⁰ Under Section 1065, a common law senior user can defend against an infringement claim brought by an owner of a registered, incontestable mark by showing that it has used, and continues to use, the mark from a date prior to the registration. 15 U.S.C. § 1065.

Simply Wireless contends that the pronouncements in *Casual Corner*, which dealt with a contest between a registered *incontestable* mark holder and an earlier user claiming common law ownership, do not apply to a priority contest between two *non-incontestable* and unregistered marks, as in this case. [Doc. No. 246] at 14. When determining the priority among non-incontestable marks, Simply Wireless argues, the first user must only establish that they have not abandoned the mark. [Doc. No. 246 at 14 (citing 15 U.S.C. § 1052(d)).]²¹ *Spin Master's* conclusion to the contrary, Simply Wireless posits, relies on an incorrect application of trademark law and should be ignored. The Court substantially agrees with Simply Wireless.

Although some cases imply that a common law trademark owner must show continuous use of the mark at least up and until the junior user's first use in order to accrue and maintain their rights, that view conflicts with fundamental principles of trademark law. The Fourth Circuit's decision in *Larsen* is instructive on this point. There, the defendant (a U.S.-based distributor of plaintiff's product) attempted to argue that the plaintiff could not assert a claim under the Lanham Act because the plaintiff's "unregistered trademark" had never been "in

²¹ Section 1052(d) provides that "No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it ... Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned." 15 U.S.C. § 1052(d) (emphasis added); see also *W. Fla. Seafood, Inc. v. Jet Rests., Inc.*, 31 F.3d 1122, 1128 (Fed. Cir. 1994) ("The governing statute does not speak of 'continuous use,' but rather of whether the mark or trade name has been 'previously used in the United States by another and not abandoned.'" (emphasis in original) (quoting 15 U.S.C. § 1052(d)).

use” in the United States. *Larsen*, 151 F.3d at 146 (noting defendant argued plaintiff’s sales “were too ‘sporadic’ to constitute use under the Lanham Act”). Because of the defendant’s counterfeiting in *Larsen*, the plaintiff did not make any additional sales into the United States for at least a period of eighteen months and the sales of its legitimate products, facilitated by the defendant, likely ceased approximately eight to nine months before plaintiff brought suit. *Id.* at 143-44. Despite those circumstances, the Fourth Circuit rejected defendant’s argument, concluding that plaintiff’s earlier sale of 11,000 CDs “clearly” satisfied the Act’s “in use” requirement, thereby entitling plaintiff’s common law trademarks to protection. *Id.* The Court in *Larsen* did not require plaintiff to show continuous use beyond its initial sale before allowing it to recover on its unregistered trademarks. In contrast, but based on the same legal principles, the Second Circuit in *Jean Patou* determined that the defendant never even accrued protectable, common-law trademark rights through its sale of eighty-nine bottles of perfume over the course of twenty years, holding that such sales did not qualify as “bona fide usage.” 495 F.2d at 1271-73. Critically, the Second Circuit’s pronouncement that “the proponent of the trademark must demonstrate that his use of the mark has been deliberate and continuous, not sporadic, casual or transitory” came in the context of deciding whether the defendant accrued—not retained—trademark rights. *Id.* at 1271-72. *Jean Patou*’s discussion of abandonment further confirms that had the defendant accrued common law marks in the first instance, the proper analysis would have been abandonment, not continuous use. *Id.* at 1273 n.9 (rejecting the defendant’s abandonment argument because the “issue of abandonment arises only if the defendant has *previously acquired*

rights in the trademark” and the plaintiff’s argument was that defendant never “established any enforceable rights” in the mark (emphasis added). Furthermore, in *Emergency One II*, the Fourth Circuit, though not addressing the exact argument T-Mobile puts forward here, held that when “more than one user claims the *exclusive right* to use an *unregistered trademark*, priority is determined by ‘the *first actual use of [the] mark* in a genuine commercial transaction.’” 332 F.3d at 267 (citation omitted) (emphasis added); see also *Blue Bell, Inc. v. Farah Mfg. Co.*, 508 F.2d 1260, 1265-67 (5th Cir. 1975) (awarding common law ownership in unregistered mark based on first “actual use” in trade).

Taking these decisions together, the general rule that emerges is that the “deliberate and continuous” test applies only to the initial accrual of trademark rights, not whether a common law owner has maintained such rights. Whether a common law trademark owner has retained their property rights in a mark is more properly analyzed through an abandonment analysis. This conclusion is further supported by cases in the Fourth Circuit and elsewhere that have analyzed this issue through an abandonment analysis, rather than apply a continuous use standard. See, e.g., *George Co. LLC v. Imagination Entm’t Ltd.*, 575 F.3d 383, 400-01 (4th Cir. 2009) (analyzing lack of continuous use of common law, unregistered trademark infringement claim through an abandonment analysis); *Nat. Answers, Inc. v. SmithKline Beecham Corp.*, 529 F.3d 1325, 1329-30 (11th Cir. 2008) (same); cf. McCarthy on Trademarks and Unfair Competition (“McCarthy”) § 16:9 (5th ed.) (“To establish ownership of a mark, the prior user must establish not only that at some date in the past it used the mark, but that such use has continued to the present... . Initial use of the mark, followed by a long period of nonuse, *may result in*

abandonment of whatever rights accrued to the initial usage.” (emphasis added).²² That approach also better aligns with the fundamental trademark law principle of first-in-time, first-in-right. *See, e.g., B & B Hardware*, 575 U.S. at 142; *Hana Bank*, 574 U.S. at 419; *Emergency One II*, 332 F.3d at 267.

Accordingly, to establish common law trademark ownership of the Mark, Simply Wireless need only establish that it (1) used the Mark first and (2) that such use was deliberate and continuous, not sporadic, casual or transitory. Simply Wireless has satisfied both requirements. The summary judgment records shows, upon drawing all inferences in favor of Simply Wireless, that Simply Wireless first used the SIMPLY PREPAID mark in 2002—more than twelve years before T-Mobile. And, from 2002 to 2008, Simply Wireless owned and maintained the domain name, www.simplyprepaid.com, offering pre-paid airtime for cell phones, [Doc No. 198], PUF ¶¶ 4, 9; S. Qureshi Decl., ¶¶ 4, 9, Ex. 5, during which time, Simply Wireless earned more than \$20 million in revenue through its use of the SIMPLY PREPAID mark. [Doc. No. 198], PUF ¶ 5; S. Qureshi Decl. ¶ 5, Ex. 2; [Doc. No. 209-11], Ex. 29. Therefore, Simply Wireless accrued common law ownership rights in the Mark and therefore may be divested of those rights only through its abandonment of the Mark.

Abandonment

Simply Wireless did not use the SIMPLY PREPAID mark in commerce for over three-and-a-half

²² And, as noted above, the parties in *Emergency One* narrowed the issue down to abandonment through pre-trial stipulations. Presumably, if lack of continuous use could defeat common law ownership, American Eagle would have sought to prevail on that less burdensome ground. *Emergency One I*, 228 F.3d 531.

years, from 2009 to July 31, 2012, thereby triggering the presumption of abandonment. *See* 15 U.S.C. § 1127 (“Nonuse for 3 consecutive years shall be prima facie evidence of abandonment”); *Emergency One I*, 228 F.3d at 535-36 (“Non-use [of a mark] for three consecutive years” creates “a mandatory inference of intent not to resume use”) (citation omitted)). Once triggered, Plaintiff bore the burden of “producing evidence of either actual use during the relevant period or intent to resume use” to rebut the presumption. *Id.* at 536. Because Simply Wireless did not use the mark for more than three years, it can only rebut the presumption by establishing that it had formed an intent to resume use in the reasonably foreseeable future during the three-year statutory period.²³

In rebutting the statutory presumption of abandonment, Simply Wireless faces a burden of production, not persuasion. *See id.* at 536; *ITC Ltd. v. Punchgini, Inc.*, 482 F.3d 135, 148 (2d Cir. 2007) (“The significance of a presumption of abandonment is to shift the burden of production to the mark owner to come forward with evidence indicating that, despite three years of non-use, it intended to resume use of the mark within a reasonably foreseeable time.” (citation omitted)). The trademark holder’s “intent to resume use in commerce must *be formulated within* the three years of nonuse.” *Specht v. Google Inc.*, 747 F.3d 929, 934 (7th Cir. 2014) (emphasis added) (citations omitted); *see also* *ITC*, 482 F.3d at 149

²³ Plaintiff argues it did engage in actual use of the mark by displaying a SIMPLY PREPAID mark at its Virginia headquarters. That type of promotional use is not the “use required to preserve trademark rights under the Lanham Act.” *Emergency One I*, 228 F.3d 535 (rejecting party’s claim that its “continued [usage of] the mark on clothing and promotional merchandise” was sufficient to establish actual use to rebut a claim of abandonment).

n.9. And the intent must be to “use the mark in the reasonably foreseeable future.” *Emergency One I*, 228 F.3d at 537 (“Of course, what is meant by the ‘reasonably foreseeable future’ will vary depending on the industry and the particular circumstances of the case... . [I]t might be reasonable for a fire truck manufacturer to spend five or six years considering the reintroduction of a brand, even though the same passage of time would be unreasonable for a maker of a more ephemeral product, say potato chips.” (internal citation omitted)).²⁴ Thus, Simply Wireless must come forth with evidence showing that during the three-year period from 2009-2011, it had formulated the intent to resume use of the SIMPLY PREPAID mark in the reasonably foreseeable future.

Courts generally hold that a trademark owner “cannot defeat an abandonment claim, as well as the purposes of the Lanham Act, by simply asserting a vague, subjective intent to resume use of a mark at some unspecified future date,” *id.* at 537; *see also ITC*, 482 F.3d at 150, because “[i]n every contested abandonment case, the respondent denies an intention to abandon its mark; otherwise there would be no contest,” *Imperial Tobacco Ltd. v. Philip Morris, Inc.*, 899 F.2d. 1575, 1581 (Fed. Cir. 1990). Therefore, the mark owner must produce more than vague and subjective testimony. For instance, in *Emergency One*, the senior user of the common law mark satisfied its burden of production by offering the following evidence: (1) continuous promotional use of the mark on hats, T-shirts, tote bags, and souvenir nameplates; (2) testimony from executives that they

²⁴ “Requiring the owner to have an intent to use the mark in the reasonably foreseeable future ensures that valuable trademarks are in fact used in commerce as the Lanham Act intends, rather than simply hoarded or warehoused.” *Id.*

“actively considered using” the mark on firetrucks during the three-year non-use period (1992-95); and (3) a business plan formulated during the statutory period of non-use that identified the disputed mark as one of four potential brand names for a new line of firetrucks and corroborated the executives’ testimony. *Emergency One I*, 228 F.3d at 537 (noting, also, that the senior user “paid a substantial sum of money” for the disputed mark “only a few years earlier”). Similarly, in *Crash Dummy*, the junior user claimed that the senior user abandoned the marks by not using the marks for more than six years. *Crash Dummy Movie, LLC v. Mattel, Inc.*, 601 F.3d 1387, 1391 (Fed. Cir. 2010) (noting that the senior user acquired marks in February 1997 through an assignment but did not begin selling toys using the mark until December 2003). The senior user, however, successfully defeated the abandonment claim by showing an intent to resume use within the contested time period by establishing that it (1) entered into discussions in 1998 with a retailer regarding a potential deal involving toys with the disputed marks; (2) contemplated manufacturing toys under the marks at the time of those 1998 discussions; and (3) recorded the trademark assignment with the USPTO in 1998. *Id.* at 1391.²⁵

As evidence of its intent to resume the use of the Mark sufficient to preclude a finding of abandonment as

²⁵ Additionally, the senior user proffered evidence from outside the statutory period also evincing an intent to resume use in the foreseeable future, namely the senior user (1) began “brainstorming ideas” for toys with the marks in 2000; (2) researched and tested the toys in 2001, and obtained concept approval in 2002; and (3) began manufacturing the toys in 2003. *Id.* at 1391-92; *id.* at 1392 (noting that a court “may consider evidence and testimony regarding Mattel’s practices that occurred before or after the three-year statutory period to infer Mattel’s intent to resume use during the three-year period”).

a matter of law, Simply Wireless points to (1) its annual renewal of the simplyprepaid.com domain; (2) discussions it had, beginning in 2011, with Ignite Media—an online retail promotional company—about selling cellular phones and airtime via toptvstuff, and its subsequent actual use of the Mark on toptvstuff beginning in July 2012; and (3) the declaration from its CEO submitted in opposition to T-Mobile’s motion for summary judgment that Simply Wireless always intended to resume use of the Mark.

As for the domain renewal, the simply prepaid website remained completely dormant from 2009 to 2014; and merely renewing a domain name for a website without any functionality does not sufficiently indicate an intent to resume use of the Mark in the reasonably foreseeable future. *See Specht v. Google, Inc.*, 758 F. Supp. 2d 570, 593 (N.D. Ill. 2010) (concluding plaintiff’s maintenance of a “ghost site[,]” “a functional yet almost purposeless website,” could not “prevent abandonment of a mark”), *aff’d*, 747 F.3d 929 (7th Cir. 2014).

Regarding the toptvstuff negotiations, the testimony and evidence surrounding the use of the SIMPLY PREPAID mark is of a vague and indefinite nature. For example, Steven Qureshi states in his declaration that Simply Wireless “never intended to abandon SIMPLY PREPAID,” “always intended to resume use of the SIMPLY PREPAID trademark,” and “continuously sought business opportunities for using SIMPLY PREPAID.” S. Qureshi Decl. ¶ 10. In support of that declaration, Qureshi references negotiations with Ignite Media beginning in 2011 that “focused on the use of the SIMPLY PREPAID mark.” *Id.* ¶ 11. But the referenced communications with Ignite Media are either outside the statutory period (July 2012) or fail to mention the Mark at all (January 2011), *id.*, Ex. 6, and do not

reflect a formulated intent to resume use of the Mark in the reasonably foreseeable future. Likewise, other contemporaneous emails between Ignite Media and Simply Wireless fail to reflect an actual, already formed intent to resume use of the Mark. For instance, on August 20, 2012, a date outside the three-year window, Brian Westrick of Ignite Media emailed, among others, Steve Qureshi an “initial testing budget” for the use of the Mark on toptvstuff, which reflects not only that negotiations regarding the Mark did not begin in earnest until well into 2012, after the presumption of abandonment had accrued, but also that they were only preliminary, exploratory efforts in the nature of an experiment, to determine whether to engage in any future use of the Mark. *See* S. Qureshi Decl., Ex. 8 at SW070261 (“[W]e wont [sic] ‘make money’ in the short run [but] we will generate some good learnings and move the program further toward its goal. Online marketing is very much about testing, learning, optimizing and doing it all over etc.”). Later emails also reflect the experimental nature of Simply Wireless’s potential use of the Mark, as it was only one of several names being considered for a new website during the preliminary planning taking place as of June, 2014, long after the three-year statutory presumption of abandonment had accrued. *See* S. Qureshi Decl., Ex. 9. Unlike in *Crash Dummy* or *Emergency One*, Simply Wireless has offered no evidence that any delays in resuming use of the Mark was within the context of a definite plan to resume use of the Mark sooner. *See Crash Dummy*, 601 F.3d at 1390 (noting senior user declined to pursue retailer option because it “needed to retool” the toys carrying the Mark to meet its “stringent safety standards”); *Emergency One I*, 228 F.3d at 537 (noting senior user’s delay in reintroducing firetruck carrying the Mark was to “avoid duplication” and also

due to “skittishness after an embarrassing experience introducing another brand”).²⁶ While there was a purported industry-wide shift in the market away from prepaid airtime, Simply Wireless does not explain why or how that shift impacted its ability to use the Mark sooner or what it was doing during the three-year statutory period of non-use to determine if and how to use the Mark in the new business landscape.

Even after taking into account a substantially broader view of Simply Wireless’s post-statutory presumption period activity, Simply Wireless has failed to produce sufficient evidence of an intent to resume use formulated during the three-year statutory period. *See Crash Dummy*, 601 F.3d at 1392 (noting that courts can “consider evidence and testimony regarding practices that occurred before or after the three-year statutory period to infer [senior user’s] intent to resume use during the three-year period”). Since 2012, Simply Wireless’s use of the Mark has been sporadic, causal, and transitory. After earning a combined total of slightly more than \$15,000 in sales in 2012 (\$14,669) and 2013 (\$877), Simply Wireless did not use the Mark again in commerce until after it learned of T-Mobile’s use. Thereafter, Simply Wireless earned approximately \$1 million

²⁶ Additionally, Simply Wireless’s actual use of the Mark, beginning at the end of July, 2012 (nearly eight months after the three-year statutory period ended), was not through the simply prepaid website—which remained dormant until late 2014—but rather a third-party platform, toptvstuff. And its subsequent use of the Mark through toptvstuff substantially differed from its offerings on the simply prepaid website: Simply Wireless previously used the Mark in connection with the sale of “prepaid airtime,” [Doc. No. 198], PUF ¶ 4, Simply Wireless’s new product offering on toptvstuff mainly consisted of cellphones with a few bundled offerings of cellphones and prepaid airtime. [Doc. No. 333-1], Pl. Slides at 10; S. Qureshi Decl., Ex. 7.

through sales on Amazon Marketplace purportedly associated with the Mark—the first sale of which did not occur until October, 2015. *See* S. Qureshi Decl., Ex. 2 at PageID# 4785; [Doc. No. 209-11], Ex. 29.²⁷ But despite this ostensible success in selling on Amazon, Simply Wireless has earned nothing through Amazon as of 2017. [Doc. No. 209-11], Ex. 29. Relatedly, its sales through the revamped simply prepaid website, relaunched in 2014, were paltry at best, earning no sales in 2014 or 2015, and only earning a combined total of approximately \$7,000 over a three-year period: 2016 (\$3,819.44), 2017 (\$2,653.99), 2018 (\$589.50). [*Id.*] It is also undisputed that Simply Wireless once again completely stopped using the Mark as of 2019, having not made any sales as of March 31, 2018. Beginning in 2019, Simply Wireless again let the simply prepaid website lay dormant for several years, only to resurrect with a “Coming Soon” banner after the present litigation commenced. [Doc. No. 277], at 11 n.7; <https://simplyprepaid.wpcomstaging.com> (last visited Oct. 24, 2022) (“Simply Wireless is proud to announce the return of Simply Prepaid coming in 2022”). Simply Wireless again points to its (1) renewal of the simply prepaid website domain and (2) its CEO’s declaration that it “intends to resume use of ... SIMPLY PREPAID,” S. Qureshi Decl. ¶ 22, but neither reflect its intent to resume use either during or after the statutory presumption period as a matter of law.

Nor does Simply Wireless’s commencement of this lawsuit reflect an intent to resume use. *See, e.g., Stetson v. Howard D. Wolf & Assocs.*, 955 F.2d 847, 851 (2d Cir.

²⁷ *But see* [Doc. No. 208-1], Ex. 24 (S. Qureshi Dep. Tr.) at 174:15-19 (“Q. I want to focus on the advertising. Were any of the products advertised [on Amazon Marketplace] advertised as Simply Prepaid products and services in the actual product name? A. They may have been. I do not know exactly.”).

1992) (“A lawsuit, without more, is not sufficient of itself to overcome a claim of abandonment.”); *PBI Performance Prods., Inc. v. Norfab Corp.*, 514 F. Supp. 2d 725, 729 n.3 (E.D. Pa. 2007) (“[Plaintiff] does suggest that the filing of the instant lawsuit should be taken as evidence that it has not intended to abandon the ‘268 trademark. The filing of a lawsuit, however, is only an indication that the plaintiff intends to protect its rights to the trademark, not that the plaintiff intends to *resume use of the mark.*” (emphasis in original)); McCarthy § 17:11 (“Ordinarily, a lawsuit against an infringing user is not a sufficient excuse for failure to use a mark. A lawsuit does not substitute for the required use of the mark in the marketplace.”). Although filing a lawsuit may evince an intent not to abandon, an intent not to abandon is not equivalent with an intent to resume use in the reasonably foreseeable future. *See, e.g., Exxon Corp. v. Humble Exploration Co., Inc.*, 695 F.2d 96, 102-03 (5th Cir. 1983) (“There is a difference between intent not to abandon or relinquish and intent to resume use in that an owner may not wish to abandon its mark but may have no intent to resume its use... . An ‘intent to resume’ *requires the trademark owner to have plans to resume commercial use of the mark.* Stopping at an ‘intent not to abandon’ tolerates an owner’s protecting a mark with neither commercial use nor plans to resume commercial use. Such a license is not permitted by the Lanham Act.”) (emphasis added)).

After viewing the facts in the light most favorable to Simply Wireless, the Summary Judgment records shows that while Simply Wireless may have used the Mark since 2008, its use has been sporadic, causal, and transitory, often in connection with different product offerings and sales platforms. Simply Wireless’s one and only use before T-Mobile began using the Mark took place over a

barely nine-month period, after the three-year period, and was largely an experimental enterprise that Simply Wireless did not pursue with any continuous commercial utilization.²⁸ Following that ostensibly unsuccessful exploratory experiment, Simply Wireless did not again begin using the Mark until *after* it learned of T-Mobile's use. And those uses were likewise episodic and not followed up with any continuous commercial utilization; instead Simply Wireless frequently shut down those efforts after a relatively short period of time. Thereafter, Simply Wireless completely ceased all use of the Mark as of 2019. Over this entire fourteen-year period interspersed with sporadic use, Simply Wireless has proffered only vague and indefinite plans which are insufficient as a matter of law to establish the required intent to resume use within the reasonably foreseeable future. *See Emergency One I*, 228 F.3d at 537 (“[T]he owner of a trademark cannot defeat an abandonment claim, as well as the purposes of the Lanham Act, by simply asserting a vague, subjective intent to resume use of a mark at some unspecified future date.”).

For the above reasons, Simply Wireless has failed as a matter of law to produce sufficient evidence that would allow a reasonable factfinder to conclude that Simply Wireless formed the intent to resume use of the SIMPLY PREPAID mark during the statutory three-year period of non-use (2009-2011), *see Specht*, 747 F.3d at 934, and

²⁸ Even accepting Simply Wireless's claim that the SIMPLY PREPAID mark through advertisements and other promotional materials, reached approximately 500,000 consumers in all 50 states, [Doc. No. 198], PUF ¶ 13; S. Qureshi Decl. ¶ 13, that occurred during the same nine-month period and there is no evidence that Simply Wireless continued to follow up with this promotional outreach after April 2013.

that such resumption would be in the reasonably foreseeable future, *Emergency One I*, 228 F.3d at 537.

Having concluded that Simply Wireless abandoned the Mark by the very beginning of 2012—through its three years of nonuse (2009, 2010, and 2011)—the issue then is whether its subsequent use re-established its common law ownership. It did not. Once Plaintiff abandoned SIMPLY PREPAID, its subsequent use of the mark in 2012 and 2013 was not the kind of continuous, uninterrupted use necessary to revive its now lost rights in the mark. *See* McCarthy § 17:3 (“Rights lost as a result of abandonment are not revived by such subsequent use. Once a period of nonuse results in abandonment, a resumption of use thereafter cannot cure the preceding abandonment.” (footnote omitted)). Although some sales may allow an owner to accrue common law trademark ownership rights, it must be followed by “continuous commercial utilization.” *Allard Enters., Inc. v. Advanced Programming Res., Inc.*, 146 F.3d 350, 358 (6th Cir. 1998) (quoting *Blue Bell*, 508 F.2d at 1265). Nearly all of Simply Wireless’s experimental sales occurred in 2012, with less than \$900 worth of sales made in 2013, before completely ending by April 2013. Other than advertising at one event, Simply Wireless made no use of the Mark until 2015, many months after learning of T-Mobile’s use of the Mark. Accordingly, for the reasons outlined above, Plaintiff’s use in 2012 and 2013 was insufficient to establish a new protectible interest in the SIMPLY PREPAID mark.

For the above reasons, the Court will grant summary judgment in favor of Defendants on Count IV.

B. Trademark Infringement under the
Lanham Act and Virginia Code § 59.1-92.12
(Counts I, II, and III)

Simply Wireless's Counts I and III concern trademark infringement under the Lanham Act; Count II is a claim of trademark infringement under Virginia Code § 59.1-92.1. These counts may be considered together, because "[t]he test for trademark infringement and unfair competition under the Lanham Act is essentially the same as that for common law unfair competition under Virginia law." *Lone Star Steakhouse & Saloon, Inc. v. Alpha of Virginia, Inc.*, 43 F.3d 922, 930 n.10 (4th Cir. 1995). To establish trademark infringement under the Lanham Act, Simply Wireless must prove four elements: (1) it owns a valid mark; (2) T-Mobile is using a similar mark in commerce without Simply Wireless's authorization; (3) T-Mobile's use is in connection with the "sale, offering for sale, distribution, or advertising" of goods or services; and (4) T-Mobile's use of the mark is likely to cause confusion. *Nationstar Mortgage, LLC v. Ahmad*, 155 F. Supp. 3d 585, 589 (E.D. Va. 2015) (citing 15 U.S.C. §1114(a)); *Rosetta Stone, Ltd. v. Google, Inc.*, 676 F.3d 144, 152 (4th Cir. 2012).

Critical to claims of trademark infringement under the Lanham Act and the Virginia Code is ownership of a mark. Here, Simply Wireless never registered the SIMPLY PREPAID mark before T-Mobile's first use or its own registration application, which, if Simply Wireless had, would have granted Simply Wireless a presumption of ownership. *George & Co. LLC*, 575 F.3d at 400 n.15 ("[F]ederal registration is *prima facie* evidence that the registrant is the owner of the mark.") (citing 15 U.S.C. § 1057(b)). And, for the reasons stated above concerning common law ownership, Simply Wireless cannot otherwise show that it owns the mark, which precludes

these claims. Accordingly, the Court will grant summary judgment in favor of Defendants on Counts I, II, and III.

C. Trademark Dilution under the Lanham Act
(Count V)

Simply Wireless has abandoned its dilution claim. *See* [Doc. No. 246] at 23 n.11. The Court will therefore enter judgment in favor of Defendants on Count V.

IV. CONCLUSION

For the foregoing reasons, it is hereby

ORDERED that Defendants' Motion for Summary Judgment [Doc. No. 189] be, and the same hereby is, GRANTED as to Counts I, II, III, IV, and V and that judgment be, and the same hereby is, ENTERED in Defendants' favor on those Counts; and it is further

ORDERED that, having found Simply Wireless cannot show ownership of the Mark as a matter of law, Plaintiff Simply Wireless, Inc.'s Motion for Summary Judgment [Doc. No. 184] be, and the same hereby is, DENIED; and it is further

ORDERED that within ten (10) days of the date of the Under Seal Memorandum Opinion and Order [Doc. No. 337], the parties file their respective positions concerning the appropriate scope of relief, if any, with respect to Counts I, II, and III of T-Mobile's Counterclaim in light of the Court's decision herein; and it is further

ORDERED that Plaintiff Simply Wireless, Inc.'s (1) Motion to Exclude the Expert Report and Testimony of Dr. Naomi Baron, Ph.D. [Doc. No. 180]; (2) Plaintiff Simply Wireless, Inc.'s Motion to Exclude the Expert Report and Testimony of Theodore Moon [Doc. No. 181]; (3) Plaintiff Simply Wireless, Inc.'s Motion to Exclude the Surveys and Testimony of Hal Poret and Philip

Johnson [Doc. No. 182]; (4) Plaintiff Simply Wireless, Inc.'s Motion to Exclude the Expert Report and Testimony of Shirley Webster [Doc. No. 183]; (5) Defendants' Motion to Exclude the Expert Opinions of Mr. Terry Hsu [Doc. No. 185]; (6) Defendants' Motion to Exclude the Expert Opinions of Dr. Simon Blanchard [Doc. No. 186]; (7) Defendants' Motion to Exclude the Expert Opinions of Dr. Natalie Schilling [Doc. No. 187]; and (8) Defendants' Motion to Exclude the Expert Opinions of Mr. Todd W. Schoettelkotte [Doc. No. 188] be, and the same hereby are, DENIED as moot; and it is further

ORDERED that Plaintiffs Motion for Leave to File Hearing Slides and Supplemental Authority [Doc. No. 312] and Defendants' Motion for Leave to File Sur-Reply in Opposition to Plaintiffs Motion for Leave to File Hearing Slides and Supplemental Authority [Doc. No. 327] be, and the same hereby are, GRANTED.

The Clerk is directed to forward copies of this Memorandum Opinion and Order to all counsel of record.²⁹

/s/ Anthony J. Trenga
Anthony J. Trenga
Senior U.S. District Judge

November 1, 2022
Alexandria, Virginia

²⁹ On October 24, 2022, because the Court relied on the parties' sealed filings in reaching its decision, the Court issued this same Memorandum Opinion and Order under seal. [Doc. No. 337]. Accordingly, the Court directed the parties to propose any redactions within seven (7) days. The parties complied, proposing only minimal redactions [Doc. No. 338-1], which the Court incorporates herein. No other changes have been made to this Memorandum Opinion and Order other than to remove the instructions pertaining to the sealed version of the Memorandum Opinion and Order.

APPENDIX C

UNITED STATES COURT OF APPEALS
FOR THE FOURTH CIRCUIT

No. 22-2211 (L)
(1:21-cv-00597-AJT-JFA)

SIMPLY WIRELESS, INC.,
Plaintiff-Appellant,

v.

T-MOBILE US, INC., f/k/a T-Mobile USA, Inc.;
T-MOBILE USA, INC.,
Defendants-Appellees.

No. 22-2236
(1:21-cv-00597-AJT-JFA)

SIMPLY WIRELESS, INC.,
Plaintiff-Appellant,

v.

T-MOBILE US, INC., f/k/a T-Mobile USA, Inc.;
T-MOBILE USA, INC.,
Defendants-Appellees.

ORDER

The court denies the petition for rehearing and rehearing en banc. No judge requested a poll under Fed. R. App. P. 35 on the petition for rehearing en banc.

Entered at the direction of the panel: Chief Judge Diaz, Judge King, and Judge Rushing.

For the Court

/s/ Nwamaka Anowi, Clerk