

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
WESTERN DIVISION

TRADEM INC.

Plaintiff

-vs-

JON C. STAINBROOK

**Defendant/Counter-claimant and Third
Party Plaintiff**

. -vs-

4 WALLS INC.

and

AARON LEWIS

and

MIKE MUSHOK

and

JON WYSOCKI

and

JOHNNY APRIL

and

JORDAN SCHUR

Third Party Defendants

Case No. 03:04 CV 7749

Judge: James G. Carr

**ANSWER COUNTERCLAIMS AND THIRD PARTY
COMPLAINT OF DEFENDANT JON C. STAINBROOK WITH REQUEST
FOR INJUNCTIVE AND DECLARATORY RELIEF AND JURY DEMAND**

COMES NOW Defendant JON C. STAINBROOK, by and through his counsel and responds to the Complaint filed by Plaintiff on or about 12/03/04. Defendant denies each and every allegation of the Complaint except to the extent expressly admitted or qualified below.

1. The Defendant admits he has initiated litigation at least three separate times to protect his trademark rights and denies the remaining allegations in the first sentence of paragraph 1 of the Complaint. The averments made in the second sentence of paragraph 1 of the Complaint are not factual allegations which require response but, rather, inappropriate impertinent, scandalous and insulting statements of opinion or impermissible legal conclusions which require no response; however, to the extent that such averments might be deemed factual allegations, they are denied. In answering the third sentence of paragraph 1 of the Complaint, Defendant admits he entered into an assignment agreement with Four Walls Inc. (not the Plaintiff) and assigned Registration No.1,803,466, in January of 1999, and that part of the consideration was \$18,000 and that the document attached as Exhibit A to the Complaint speaks for itself. Defendant denies the remaining allegations made in the third sentence of paragraph 1 of the Complaint. Defendant denies the allegations made in the fourth sentence of paragraph 1 of the Complaint. Defendant denies the allegations made in the fifth sentence of paragraph 1 of the Complaint. In answering the sixth sentence of paragraph 1 of the Complaint, the Defendant admits that he has applied for registration of the mark THE STAIN with the USPTO and denies the remaining allegations therein. In answering the seventh sentence of paragraph 1 of the Complaint, the Defendant admits that he has petitioned USPTO to cancel the registrations for the mark STAIND based upon fraud upon the USPTO and other good cause, and that the mark STAIND is confusingly similar to THE STAIN but denies the remaining allegations contained therein.

2. The averments made in paragraph 2 of the Complaint are not factual allegations which require response but, rather, inappropriate impertinent, scandalous and insulting statements of opinion or impermissible legal conclusions which require no response. However, to the extent that such averments might be deemed factual allegations, they are denied.

THE PARTIES

3. Defendant is without knowledge or information sufficient to form a belief as to the allegations contained in Paragraph 3 of the Complaint and on that basis denies those allegations.

4. Defendant admits he is a musician and denies the remaining allegations contained in paragraph 4 of the Complaint.

JURISDICTION AND VENUE

5. The averments made in paragraph 5 of the Complaint are not factual allegations which require response but, rather, legal conclusions which require no response.

6. The allegations of paragraph 6 of the Complaint are legal conclusions to which no answer is required.

7. The allegations of paragraph 7 of the Complaint are legal conclusions to which no answer is required.

FACTS

8. Defendant admits the band STAIN'D is known as STAIN'D, but denies the remaining allegations in paragraph 8 of the Complaint as he is without knowledge or information sufficient to form a belief as to the truth or falsity of those allegations.

9. Defendant admits Jordan Schur first contacted him by telephone to express an interest in purchasing the Defendant's registration for THE STAIN. Defendant denies the remaining allegations in the second paragraph numbered "2" of the Complaint as he is without knowledge or information sufficient to form a belief as to the truth or falsity of those allegations.

10. Defendant admits he entered into the agreements attached to the Complaint as Exhibits A and B and states these documents speak for themselves. The Defendant denies any payment was made by the Plaintiff and denies remaining allegations contained in paragraph 10 of the Complaint.

11. Denied.

12. Defendant admits the allegations in the first sentence of paragraph 12 of the Complaint. The averments made in the second sentence of paragraph 12 of the Complaint are not factual allegations which require response but, rather, legal conclusions which require no response. In answering the averments made in the third sentence of paragraph 12 of the Complaint, Defendant admits he received \$18,000.00 as partial but not complete consideration and denies that this money was from the Plaintiff.

The averments made in the last sentence of paragraph 12 of the Complaint are not factual allegations which require response but, rather, legal conclusions which require no response.

13. In answering the averments made in paragraph 13 of the Complaint, Defendant admits the allegation contained therein.

14. In answering the averments made in paragraph 14 of the Complaint, Defendant admits he signed exhibit B of the Complaint on the same date that he signed Exhibit A and denies the remaining allegations as he is without knowledge or information sufficient to form a belief as to the truth or falsity of those allegations, or the allegations are not factual allegations which require response but, rather, legal conclusions, which require no response.

15. In answering the averments made in paragraph 15 of the Complaint, Defendant admits paragraph 8 of exhibit B of the Complaint contains some of the words that Plaintiff alleges it contains but denies the document is represented accurately. The Plaintiff has misquoted Paragraph 8 of Exhibit B, which speaks for itself.

16. In answering the averments made in the first sentence of paragraph 16 of the Complaint, Defendant denies the allegations contained therein. In answering the averments made in the remainder of paragraph 16 of the Complaint, Defendant admits Exhibit B of the Complaint contains some of the words that Plaintiff alleges it contains but denies the document is represented accurately. . The Plaintiff has misquoted Exhibit B of the Complaint, which speaks for itself.

17. In answering the averments made in the paragraph 17 of the Complaint, Defendant admits he has used THE STAIN in commerce but denies the remaining allegations contained therein.

18. Denied.

19. In answering the averments made in the paragraph 19 of the Complaint, Defendant denies he breached any provisions of the contract, and denies the remaining allegations as he is without knowledge or information sufficient to form a belief as to the truth or falsity of those allegations, or the allegations are not factual allegations which require response but, rather, legal conclusions which require no response.

20. Denied.

21. Denied.

22. In answering the averments made in the third paragraph numbered “2” of the Complaint, Defendant admits he has used the mark THE STAIN in commerce in connection with the rendering of musical services between September 22, 2000 and May 9, 2004 and denies the remaining allegations contained therein.

23. In answering the averments made in the fourth paragraph numbered “2” of the Complaint, Defendant denies the allegations contained therein.

24. In answering the averments made in the fifth paragraph numbered “2” of the Complaint, Defendant admits the Plaintiff is shown as the last owner of record for the registrations listed but denies the remaining allegations contained therein.

25. In answering the averments made in paragraph number 25 of the Complaint, Defendant cannot provide a response, because Plaintiff has not indicated which of the registrations supposedly contain the “harmless typographical or ministerial error”. In any event, the Defendant denies any errors were harmless, ministerial or typographical but rather fraudulent statements made to the USPTO. Defendant further denies “Plaintiff” made first use of these marks because Plaintiff did not exist until many years later. . Defendant further denies any of the STAIND marks remain valid as well as any remaining allegations in paragraph 25 of the Complaint.

26. In answering the averments made in paragraph number 26 of the Complaint, Defendant admits the law firm of Marshall & Melhorn sent attorney Brad Rose a letter on November 6, 2003 seeking compensation for damages arising from STAIND’S violation of Stainbrook’s common law trademark rights, breach of an oral contract, and failure to provide “the other good and valuable consideration recited in the assignment”. Defendant has attached this letter as Exhibit 1 hereto and states the document speaks for itself, and therefore, denies the remaining allegations made by Plaintiff which are contrary to the text of the letter. Defendant further denies the fabrication of his demand of \$6,000,000.00 to avoid suit.

27. Denied.

28. Denied.

29. In answering the averments made in paragraph number 29 of the Complaint, Defendant admits he filed a meritorious Petition to cancel all of the STAIND marks on or about October 8, 2004 based upon the fraudulent statements and bogus specimens submitted to the USPTO. Defendant further

denies the remaining allegations in paragraph 29 of the Complaint and offers clear and convincing proof of this fraud below in his Counterclaims.

30. In answering the averments made in paragraph number 30 of the Complaint, Defendant admits that on or about October 8, 2004, he applied to register the trademark THE STAIN based upon his common law rights to the mark and denies the remaining allegations contained therein.

FIRST CLAIM FOR RELIEF

Trademark Infringement under 15 U.S.C. §1114

31. Defendant responds to paragraph 31 as he did to each of the separate paragraphs hereinabove and incorporates those responses by reference as if fully set forth herein.

32. Denied.

33. Denied.

34. Denied.

SECOND CLAIM FOR RELIEF

Breach of Contract

35. Defendant responds to paragraph 35 as he did to each of the separate paragraphs hereinabove and incorporates those responses by reference as if fully set forth herein.

36. In answering the averments made in paragraph number 36 of the Complaint, Defendant states the license agreement speaks for itself and denies it makes any reference to a predecessor in interest. Plaintiff's remaining allegations are legal conclusions and are therefore denied.

37. Denied.

38. Denied.

THIRD CLAIM FOR RELIEF

Declaratory Judgment of STAIND Marks

39. Defendant responds to paragraph 39 as he did to each of the separate paragraphs hereinabove and incorporates those responses by reference as if fully set forth herein.

40. Defendant admits the allegations in paragraph 40 create a justiciable controversy but denies the implication that this is the only justiciable controversy.

41. Denied.

42. In responding to the first paragraph numbered “2” on page 10 of the Complaint, Defendant states the allegations are not factual allegations which require response but, rather, legal conclusions which require no response and are therefore denied.

43. In responding to the second paragraph numbered “2” on page 10 of the Complaint, Defendant denies the allegations contained therein.

FOURTH CLAIM FOR RELIEF

44. Defendant responds to the third paragraph numbered “2” on page 10 of the Complaint as he did to each of the separate paragraphs hereinabove and incorporates those responses by reference as if fully set forth herein.

45. In responding to the fourth paragraph numbered “2” on page 10 of the Complaint, Defendant admits a justiciable controversy exists but denies the remaining allegations contained therein.

46. In responding to the fifth paragraph numbered “2” on page 10 of the Complaint, Defendant denies the allegations contained therein.

47. In responding to the sixth paragraph numbered “2” on page 10 of the Complaint, Defendant admits the marks are confusingly similar but denies the remaining allegations contained therein.

48. In responding to the seventh paragraph numbered “2” on page 10 of the Complaint, Defendant denies the allegations contained therein.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

(Failure to State a Claim and Uncertainty)

49. Plaintiff’s Complaint, and each and every cause of action and count contained therein, fails to state a claim upon which relief can be granted and is uncertain.

SECOND AFFIRMATIVE DEFENSE

(Abandonment)

50. Plaintiff has abandoned any exclusive rights they may have had in their alleged trademarks through Plaintiff's non-use for an extended period of time and their failure to police the alleged marks.

THIRD AFFIRMATIVE DEFENSE

(Good Faith Prior Use/Innocent Infringer)

51. Defendant's use of the Plaintiff's alleged trademarks was adopted in good faith without knowledge of Plaintiff's prior use and claims of exclusivity.

FOURTH AFFIRMATIVE DEFENSE

(Statute of Limitations)

52. Plaintiff's Complaint, and each and every cause of action and count contained therein, is barred by the applicable statutes of limitations.

FIFTH AFFIRMATIVE DEFENSE

(Acquiescence)

53. Plaintiff, by its acquiescence that it will not assert its rights in the mark, is estopped from bringing this action against Defendant.

SIXTH AFFIRMATIVE DEFENSE

(Laches)

54. The Complaint and each purported cause of action therein are barred by the doctrine of laches. Plaintiff is barred from bringing its claim by the doctrine of laches in that it has known or should have known of Defendant's activities for a long period of time and yet took no action, and Defendant has reasonably relied, to its detriment, on Plaintiff's failure to act.

SEVENTH AFFIRMATIVE DEFENSE

(Necessary Parties)

55. The Complaint and each purported cause of action therein are barred on the grounds of defect or misjoinder of or failure to join necessary parties.

EIGHTH AFFIRMATIVE DEFENSE

(Unclean Hands)

56. Plaintiff is barred from recovery on each and every claim as it comes to court with unclean hands.

NINTH AFFIRMATIVE DEFENSE

(Waiver and Estoppel)

57. Plaintiff's Complaint and each and every purported cause of action therein are barred by Plaintiff's own conduct of waiver and estoppel.

TENTH AFFIRMATIVE DEFENSE

(Failure to Mitigate)

58. Defendant asserts and alleges that, by the exercise of reasonable effort, Plaintiff could have mitigated the amount of damages Plaintiff allegedly suffered, if any. However, Plaintiff has failed and refused to mitigate its damages.

ELEVENTH AFFIRMATIVE DEFENSE

(Reservation of Rights)

59. Defendants reserve the right to raise additional affirmative defenses as they become known through discovery in this matter.

TWELFTH AFFIRMATIVE DEFENSE

(Antitrust)

60. Plaintiff's use of their trademarks have been or are being used to violate the antitrust laws of the United States pursuant to 15 U.S.C. § 1115(b)(7).

THIRTEENTH AFFIRMATIVE DEFENSE

(Trademark Misuse)

61. Plaintiff is not entitled to seek equitable relief, because its actions constitute trademark misuse.

COUNTERCLAIMS AND THIRD PARTY COMPLAINT

Defendant/Counterclaimant and Third Party Plaintiff Stainbrook asserts on information and belief the following counterclaims against Plaintiff and his Third Party claims against the Third Party Defendants.

PARTIES

62. Jon C. Stainbrook is, and was at all times pertinent hereto, a resident of Toledo, Lucas County, Ohio and the founder of a band known as THE STAIN.

63. Plaintiff Tradem Inc. is a corporation duly authorized and existing pursuant to the laws of the State of Delaware, having its principal office at 733 Third Avenue, New York, NY. Tradem Inc. claims the band STAIND is wholly owned by Tradem Inc.

64. 4 Walls Inc. is an inactive Massachusetts corporation which was merged into Tradem Inc. on 12/19/02.

65. Aaron Lewis is a band member of STAIND. Upon information and belief, Lewis resides at 81 Lake Dr., Wilbraham, MA.

66. Michael Mushok is a band member of STAIND and is the former President of 4 Walls Inc. Upon information and belief, Mushok resides at 778 Parker St., Springfield, MA.

67. Jon Wysocki is a band member of STAIND and is the former Treasurer of 4 Walls Inc. Upon information and belief, Wysocki resides at 548 Springfield St., Chicopee, MA.

68. Johnny April is a band member of STAIND and is the former Secretary of 4 Walls Inc.

69. Jordan Schurr is upon information and belief a resident of the state of California. Schur is the former President of Flip Records and is currently the President of Geffen Records.

JURISDICTION AND VENUE

70. This Court has subject matter jurisdiction of the federal claims based on 28 U.S.C. § 1331 (federal question), and §§2201-2202 (declaratory relief), and 28 U.S.C. § 1338 (trademarks and unfair competition). Supplemental jurisdiction of the state law claims is based on 28 U.S.C. § 1367.

71. Venue is proper in the United States District Court for the Northern District of Ohio, Western Division under 28 U.S.C. §§1400(a) and 1391(b).

FACTUAL BACKGROUND

72. On or about 10/1/1980, Jon C. Stainbrook formed a band called THE STAIN and began use of that mark for commercial purposes in commerce in association with the rendering of live musical performances and sales of t-shirts. A photo taken from the St. John's Jesuit High School yearbook, Exhibit 2 attached hereto, depicts THE STAIN performing..

73. Stainbrook applied for and subsequently received a federal registration, Reg. No. 1,803,466, for THE STAIN on November 9, 1993. Stainbrook continues to hold a valid Michigan Service Mark, Reg. No M04-081, for education and entertainment.

74. Stainbrook has consistently used THE STAIN mark in commerce since 1980 and continues to do so today.

75. Stainbrook's music has appeared on ESPN, MTV, the Discovery Channel, TNN, FOX, and the Disney Channel. Stainbrook has also written music used by Mountain Dew, Nissan, Vision Street Wear, the Triple Crown of Surfing, Ocean Pacific, Budweiser, Coca-Cola, and Jose Cuervo. Stainbrook's music was "instrumental" in the 20th Century Fox series "In the Zone" being nominated for an Emmy. THE STAIN was the on-stage band for comedian Howie Mandell for two separate tours. THE STAIN has also recorded music and dialogue for numerous video games including Bally games.

76. Stainbrook is also famous on a regional level for his appearances on local television. Stainbrook produced and co-hosted the Christian television show "Three Cheers for Life", which was aired to viewers in Michigan and Ohio. Stainbrook was also an on-air speaker over a period of 15 years for "Meditations", a television presentation of Bible readings produced by the Ecumenical Communications Commission of Northwest Ohio.

77. Unlike Plaintiff, Stainbrook has consistently taken steps to preserve the distinctiveness of his mark by policing for its possible use by infringers. In two instances, the infringers refused to cease use of confusingly similar marks without Court intervention. Both of these previous actions were heard by this Court (see Stainbrook v. Seriously Inc., et al, Case No. 3:94-cv-7094, and Stainbrook v. Popoff, et al, Case No. 3:96-cv-7219 where the Court issued an injunction against the use of STAIN by the band now known as "Lit").

78. In addition to musical performances, THE STAIN mark has been used on t-shirts, buttons, hats and stickers, and Stainbrook has thus acquired common law trademark rights in connection with these goods.

79. In 1995, unknown to Stainbrook, Third Party Defendants Aaron Lewis, Mike Mushok, and Jon Wysocki formed a band called STAIN and played their first professional appearance in February of that year. They were joined by Johnny April in November 1995.

80. Upon information and belief, the band STAIN changed their name to STAIND after hearing about THE STAIN in an attempt to avoid infringement with this improper use.

81. In 1996 STAIND released their first album titled “Tormented” (see image of album cover attached as Exhibit 3). The album depicts satanic art on its cover. The cover portrays a knife piercing a blood smeared Bible, a Barbie doll nailed to a cross (inverted), and what appears to be a rosary coming out of a person’s nose. The inside cover shows the song titles written in smeared blood in the Charles Manson tradition (including many backwards letters to enhance the satanic theme).¹

82. STAIND promotes violence and antisocial values to its youthful audience through its lyrics which include:

The thoughts from my mind Command my lips say I hate you
The thoughts from my mind Command my hands to cut your silken flesh
The thoughts from my mind Command my feet to stomp your head ...
...The thoughts from my mind Feels the joy as the needle hits my vein
The thoughts from my mind Smells the stench as shit runs down my leg
...
I Don't give a fuck About all of your problems
I could give a rats ass how your feeling today
take your wordly advice and shove it straight up your ass
Thanks for coming around to fuck up my day

83. In 1998, Jordan Schur, the president of Flip Records, contacted Stainbrook seeking permission to allow STAIND to use THE STAIN mark. Stainbrook declined to provide his permission and had never heard of the band. Schur did not advise Stainbrook of his deal with Elektra Records to issue STAIND’s album “Dysfunction” in April 1999.

¹ See <http://www.catholicparents.org/oxcart/warning.html> explaining that writing in strange lettering or languages (also backwards) is a sign of the Occult.

84. Jordan Schur persisted in his attempts to secure rights to use THE STAIN or a similar designation for STAIND. Schur made numerous misrepresentations to Stainbrook to induce him to enter into an agreement. Schur falsely represented that STAIND was a garage band and would likely go nowhere. Schur said, “if you help me, I’ll help you.” When Stainbrook inquired as to how Schur would help him, Schur promised Stainbrook would receive album liner notes mention on STAIND albums, tickets and all area passes to any of his band’s performances, warm-up gigs with flagship acts, and assistance with bookings, public relations, development, distribution and management. Schur also made the promise that he would personally return all of Stainbrook’s calls post contract. As the negotiations continued, Schur agreed that STAIND would not appear or sell merchandise in Ohio, Kentucky, Michigan, or Indiana. He agreed that if STAIND became successful, Stainbrook would be entitled to 20% of the band’s profits.

85. Stainbrook advised Schur of his strong Christian beliefs and his concern that others might tarnish the image of his mark. Schur assured Stainbrook that this would not occur despite Schur’s knowledge that STAIND promoted an antisocial message with satanic influences. Schur withheld this information from Stainbrook. He told Stainbrook he would be helping other musicians, and Stainbrook would still retain his rights to continue to play as THE STAIN. He further told Stainbrook that this was the beginning of a friendship between them.

86. In reliance upon Schur’s promises, Stainbrook agreed to enter into contracts with 4 Walls Inc., the company which Schur claimed to be part owner and which owned the band. Stainbrook further agreed orally to refrain from suing STAIND for trademark infringement. Attorneys for 4 Walls Inc., drafted the contracts (attached to Complaint as Exhibits A and B), and Stainbrook signed them.

87. Pursuant to the contracts, Stainbrook agreed to assign his federal Service Mark Registration to 4 Walls Inc. while retaining his common law rights in this mark and his other common law trademarks (for goods) as well as his Michigan registration. Stainbrook also received a “non-exclusive” license to use the registered service mark.

88. Stainbrook provided his permanent address to Schur in a fax on January 16, 1999 and called him on numerous occasions yet was never contacted by Schur, STAIND, 4 Walls Inc., Tradem Inc., or their attorneys at this address.

89. After the contracts were signed, Stainbrook attempted to contact Schurr by telephone and fax but received no response. Stainbrook also attempted to contact attorneys for STAIND, but they never responded.

90. Stainbrook was never directly notified by Plaintiff or any of its predecessors or related entities that there was a problem relating to specimens. In one instance, Stainbrook called attorney Monica McCabe well in advance of her deadline to file specimens with the USPTO, but she did not return his call. Instead he left voice messages which went unanswered. Stainbrook was simply seeking instructions regarding the requested samples.

91. Between January 28, 1999 and May of 2002, Stainbrook did not perform and took this time to write songs. During this time, there were no new specimens of use to provide to 4 Walls Inc. Since Stainbrook's license was non-exclusive and he was not the owner of the mark, Stainbrook properly assumed that pursuant to contractual obligations the new owner had the responsibility to maintain the registration. Since all interested parties had the correct contact information to reach him, he assumed they would contact him if there were any problems.

92. In the Spring of 2003, Stainbrook was on a writing assignment for High Speed Productions to cover a concert by the band "The Used" in Sterling Heights, Michigan. Upon arriving at the venue, Stainbrook found out STAIND would be also appearing. Since he already had a pass to be backstage, Stainbrook attempted to talk to the members of STAIND to find out why they were violating their agreement with him by performing in Michigan and selling t-shirts in Michigan. Stainbrook spoke to Gayle Boleware, the band's representative. After conferring with the band members, she said the band does not know who Stainbrook is and there was no such agreement in place.

93. Stainbrook sought legal counsel to determine the true nature of his rights. Attorney Ed Dolgorukov from Marshall & Melhorn LLC represented Stainbrook and consistent with his legal opinion wrote a letter to STAIND's counsel on November 6, 2003 (See Exhibit 1 attached).

94. Within 7 days of receipt of Dolgorukov's letter, Plaintiff filed a lawsuit in the United States District Court for the Southern District of New York, Case No. 03-cv-8980. Stainbrook, proceeding pro se, filed a motion to dismiss the case for lack of personal jurisdiction. The Court dismissed Plaintiff's case finding they could not make even a prima facie showing that jurisdiction existed in New York.

95. While researching facts for the litigation in New York, Stainbrook learned 4 Walls Inc. made no independent use of THE STAIN mark and did not license it to anyone else. When it was time to renew the registration at the USPTO, Tradem Inc., or 4 Walls Inc., filed a fraudulent specimen use as further set forth below. This fraud upon the USPTO caused the registration for THE STAIN to become void ab initio. Stainbrook further determined there were other numerous fraudulent statements made by the Plaintiff to the USPTO regarding the STAIND marks. Stainbrook then sought to re-register his wrongfully abandoned registration and cancel the STAIND trademarks by filing a cancellation proceeding with the USPTO.

96. Plaintiff has removed the case to this Court and brought its claims based largely upon a theory of trademark infringement.

FIRST CLAIM FOR RELIEF

(Breach of Written Contracts / Validity- 4 Walls Inc. and/or its successor Tradem Inc.)

97. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

98. Stainbrook attempted to enter into several written contracts with Plaintiff or its predecessor (Exhibit A and B of Complaint). Those contracts and the actions of the parties resulted in a situation whereby the mark was attempted to be transferred totally disconnected from any business or goodwill of Stainbrook. Stainbrook asserts that such contracts are a legal nullity and void ab initio.

99. Alternatively, Stainbrook alleges he entered into initially legal and binding written contracts with 4 Walls Inc. Stainbrook accepted their written offer to allow them to use his service mark rights embodied within his federal registration. (see Exhibits A and B of Complaint, incorporated herein by reference).

100. 4 Walls Inc. executed and thus accepted the terms of the contracts through the signature of its president and secretary.

101. Paragraph 7(c) provides that if "...STAIND shall at any time hereafter, abandon the use of the service mark or allow the registration of the Service mark to expire, or be otherwise terminated by the United States Patent & Trademark Office, this license shall terminate, and THE STAIN may continue to use the Service mark as though the Assignment of same of even date had not been made."

102. 4 Walls Inc. and/or its successor Tradem Inc. breached the contracts when they abandoned the use of THE STAIN and allowed the registration of the mark to expire, through no fault of Stainbrook. As owner of the registration, STAIND had the duty to license others or make use of THE STAIN mark and otherwise maintain its registration with the USPTO. Pursuant to the contract all common law rights have reverted back to Stainbrook as though the contracts never existed.

103. 4 Walls Inc. and/or its successor Tradem Inc. further breached the contracts through numerous other actions including their failure to observe their duty of good faith and fair dealing inherent in these contracts. 4 Walls Inc. and/or its successor Tradem Inc. had the duty to maintain the registration of the service mark with the USPTO but failed to extend any reasonable effort to maintain the registration including the contacting of Stainbrook at his correct address or the filing of extensions with the USPTO to obtain additional time to file accurate specimens.

104. Instead, 4 Walls Inc. and/or its successor Tradem Inc. filed a fraudulent use specimen with the USPTO and neglected the renewal of the registration

105. On May 9, 2000 , 4 Walls Inc. filed a combined Section 8 and Section 15 affidavit stating it had first-hand knowledge THE STAIN mark was still in use in commerce which included purported specimens of use. In reality , 4 Walls Inc. had no first-hand knowledge as to whether or not the mark was still in use as it declined to return numerous phone calls from Defendant.

106. 4 Walls Inc. knew or should have known the specimens it filed were fraudulent. The specimen of use filed by 4 Walls Inc. is attached as Exhibit 4. It refers to a band called “Stain”, not THE STAIN. It also says the band is from Cincinnati, Ohio, not Toledo, Ohio where THE STAIN is located.

107. This specimen was the result of at least 1.1 hours of searching the internet by one of 4 Walls Inc.’s attorneys on May 4, 2000 and an additional 2.6 hours on May 8, 2000 as indicated in Billing records from that firm.

108. Within 10 minutes of searching the internet, Stainbrook was able to determine the band referenced in Plaintiff’s specimens was no longer in business and never included a member named Jon Stainbrook. There is no doubt that, within 3.7 hours of searching the internet, Plaintiff’s highly skilled attorneys found this same internet page and knew this was not THE STAIN.

109. Upon calling one of the band members from Cincinnati, Defendant verified “Stain” last played May 21, 1999 almost a year before 4 Walls Inc. made its claim of current use.

110. Trademark Rule of Practice 2.161 provides a renewal affidavit must be filed by the mark's owner and be accompanied by a verified declaration attesting to the mark's use in commerce. See 37 C.F.R. § 2.161. 4 Walls Inc. knew or should have known through minimal diligence the specimen submitted was fraudulent. Despite this knowledge, Plaintiff submitted the bogus specimen to the USPTO.

111. Registrant has thus knowingly attempted to mislead the USPTO so as to fraudulently achieve a registration as contemplated in 15 U.S.C. § 1064(3). This fraud in the maintenance of the mark rendered it void ab initio or alternatively void on the date the false affidavit and bogus specimen were submitted. Neither 4 Walls Inc. nor Tradem Inc. filed the 10 year Section 8 declaration or Section 9 renewal, and as a result, the registration for THE STAIN was cancelled of record on August 14, 2004.

112. 4 Walls Inc. and/or its successor Tradem Inc. breached their duty of good faith through the above actions with the USPTO and their refusal to contact Stainbrook or return his calls.

113. Based upon the foregoing breach of contract, Stainbrook has been damaged by the actions of 4 Walls Inc. and/or its successor Tradem Inc. in an amount which will be proven at trial and seeks damages and/or rescission of the oral agreements.

SECOND CLAIM FOR RELIEF

(Breach of Oral Contract –Jordan Schur, 4 Walls Inc. and/or its successor Tradem Inc.)

114. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

115. Jordan Schur acting as a representative of 4 Walls Inc. and/or its successor Tradem Inc., as well as in his individual capacity made numerous promises to Stainbrook as set forth above. In return for these promises, Stainbrook agreed among other things to refrain from suing STAIN for trademark infringement for their infringing acts and to enter into the written agreements.

116. Schur breached each and every oral promise made to Stainbrook as neither he nor 4 Walls Inc., nor Tradem Inc. ever provide Stainbrook album liner notes mention on STAIN albums, tickets and all area passes to any of his bands, assistance with bookings, public relations, development,

distribution and management, or warm-up gigs with flagship acts. Neither did Schur ever personally return any of Stainbrook's calls post contract. STAIND did in fact appear and sell merchandise in Ohio, Kentucky, Michigan, and Indiana. Additionally, STAIND has become successful, and Stainbrook has never been provided with the promised 20% of the band's profits.

117. Based upon the foregoing breach of oral contract, Stainbrook has been damaged by the actions of Schur, 4 Walls Inc. and/or its successor Tradem Inc. in an amount which will be proven at trial and seeks damages and /or recession of the oral agreements.

THIRD CLAIM FOR RELIEF

(Fraudulent Inducement - Jordan Schur, 4 Walls Inc. and/or its successor Tradem Inc.)

118. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

119. Jordan Schur acting as a representative of 4 Walls Inc. and/or its successor Tradem Inc., as well as in his individual capacity or as civil co-conspirators made numerous promises to Stainbrook as set forth above.

120. Schur made actual or implied representation (or concealment) of matters of fact material to the oral and written contracts at issue. Such statements were false as set forth above. The concealment of the fact that STAIND promoted anti-social behavior and satanic messages was concealment of a material fact.

121. Schur knew Stainbrook would rely on the truth of his statements, and Stainbrook entered into the oral and written contracts based upon his reliance on the false statements and concealment of material facts.

122. Schur made such false statements and concealments knowing the falsity or with such utter disregard as to truth that knowledge may be inferred.

123. Schur made these false statements with intent to mislead.

124. Schur at all times acted with actual malice or reckless disregard.

125. Stainbrook relied on Schur's false representations and concealments, had a right to reasonably do so, and in reliance entered into the oral and written agreements.

126. As a direct and proximate result of this fraudulent inducement, Stainbrook has been damaged in an amount which will be proven at trial and seeks damages and/or rescission of the oral and written agreements.

FOURTH CLAIM FOR RELIEF

(Negligent Misrepresentation and Concealment - Jordan Schur, 4 Walls Inc.
and/or its successor Tradem Inc)

127. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

128. Jordan Schur acting as a representative of 4 Walls Inc. and/or its successor Tradem Inc., as well as in his individual capacity or as civil co-conspirators made numerous promises to Stainbrook as set forth above. Schur, in the above capacities, in the course of his business, profession, or in a transaction in which he has a pecuniary interest, supplied false information for the guidance of Stainbrook and omitted to disclose or concealed relevant material information to Stainbrook.

129. The information was to guide Stainbrook in his business transactions.

130. Stainbrook justifiably relied on Schur's statements, information, and guidance and trusted him to disclose any material facts.

131. Schur failed to exercise reasonable care or competence in obtaining or communicating the information to Stainbrook.

132. Schur at all times acted with actual malice or reckless disregard.

133. As a direct and proximate of Schur's acts, Stainbrook has been damaged in an amount which will be proven at trial. Based upon Schur's malice, Stainbrook is further entitled to punitive damages to deter Schur and his co-conspirators from committing these acts in the future.

FIFTH CLAIM FOR RELIEF

(Promissory Estoppel - Jordan Schur, 4 Walls Inc. and/or its successor Tradem Inc.)

134. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

135. Jordan Schur made numerous promises to Stainbrook as set forth above acting as a representative of 4 Walls Inc. and/or its successor Tradem Inc., as well as in his individual capacity or as civil co-conspirators.

136. Schur, 4 Walls Inc. and/or its successor Tradem Inc., should reasonably have expected to induce action or forbearance on the part of Stainbrook.

137. Schur's promises did induce such action or forbearance by Stainbrook in that he restrained from suing STAINBROOK for infringement and entered into oral and written contracts as set forth above.

138. Injustice can be avoided only by enforcement of the promises made by Schur and by rescission of the contracts or requiring the payment to Stainbrook of 20% of the band's gross profits.

139. Schur, 4 Walls Inc. and/or its successor Tradem Inc. at all times acted with actual malice or reckless disregard.

140. Stainbrook was damaged as a proximate and direct result of Schur's actions in an amount which will be proven at trial. Based upon Schur's malice, Stainbrook is further entitled to punitive damages to deter Schur and his co-conspirators from committing these acts in the future.

SIXTH CLAIM FOR RELIEF

(Fraud / Concealment - Jordan Schur, 4 Walls Inc. and/or its successor Tradem Inc.)

141. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

142. Jordan Schur acting as a representative of 4 Walls Inc. and/or its successor Tradem Inc., as well as in his individual capacity or as civil co-conspirators made numerous promises to Stainbrook and concealed facts from Stainbrook where there was a duty to disclose set forth above.

143. Said false statements and concealments were material to the transactions at issue.

144. Said statements and concealments were made falsely and with knowledge of or reckless disregard as to their falsity

145. Said statements and concealments were made with the intent of misleading Stainbrook into relying on them.

146. Stainbrook justifiably relied upon the misrepresentations and concealment.

147. Schur, 4 Walls Inc. and/or its successor Tradem Inc. at all times acted with actual malice or reckless disregard.

148. As a direct and proximate result of Schur's false statements and concealments and Stainbrook's reliance thereon, Stainbrook has been injured in an amount which will be proven at trial. Based upon Schur's malice, Stainbrook is further entitled to punitive damages to deter Schur and his co-conspirators from committing these acts in the future.

SEVENTH CLAIM FOR RELIEF

(Cancellation of Tradem Inc.'s Trademark Registrations - 4 Walls Inc. and/or its successor Tradem Inc.)

149. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

150. This Court has authority to determine the right to registration of a trademark and order its cancellation under Section 37 of the Lanham Act, 15 U.S.C. §1119 and 15 U.S.C. § 1064.

151. Stainbrook filed a Petition to Cancel STAIND Registration #s 2475235, 2459222, 2483319, and 2338763, with the USPTO on 10/18/03. That petition was subsequently assigned a filing number of 92043833 and is attached hereto as Exhibit 5 and incorporated in its entirety herein.

152. Plaintiff has pre-empted the USPTO ruling on these trademark issues and placed them before this Court through its filing of the present litigation.

153. Stainbrook therefore seeks cancellation of STAIND Registration #s 2475235, 2459222, 2483319, and 2338763, pursuant to the Court's authority based in 15 U.S.C. §1119 and 15 U.S.C. § 1064, for the reasons set forth more fully in Exhibit 5.

EIGHTH CLAIM FOR RELIEF

(Declaratory Relief - 4 Walls Inc. and/or its successor Tradem Inc.)

113. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

114. Based on the facts set forth in the foregoing allegations, an actual controversy has arisen and now exists between Stainbrook and 4 Walls Inc. and/or its successor Tradem Inc. regarding the validity and/or scope of the oral contracts, the validity and ability of Stainbrook to

re-register THE STAIN, the validity and/or scope of the assignment, the validity and/or scope of the license, the validity and/or scope of Stainbrook's trademark rights, whether the Defendant's actions constitute infringement or other violations of the law, and the validity of Plaintiff's trademark rights and registrations.

115. Under the circumstances, a judicial declaration is necessary and appropriate at this time in order that the parties and others may determine their rights and duties under the laws at issue.

116. Stainbrook therefore seeks a declaration from this Court that the written assignment of registration and License are void ab initio, that Stainbrook has the right to re-register THE STAIN, that Plaintiff and or its predecessors and contributory infringers have been infringing Stainbrook's mark rights since 1995, that all of the STAIND trademarks be cancelled, and that Plaintiff be required to provide an accounting of all revenues obtained through its infringing acts.

117. Stainbrook additionally asks the Court to determine that the assignment and lease agreements are a legal nullity from the beginning since the mark was transferred totally disconnected from any business or goodwill of the assignor pursuant to the decision in Pepsico, Inc. v. Grapette Company, 416 F.2d 285 (8th Cir. 1969).

118. Stainbrook further seeks a declaration that he has not violated any of the laws alleged by Plaintiff.

NINTH CLAIM FOR RELIEF

(Trademark Infringement under 15 U.S.C. §1114 – Infringers Tradem Inc., 4 Walls Inc., Aaron Lewis, Michael Mushok, Jon Wysocki, and Johnny April)

154. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

155. Stainbrook was at all times since its creation (until the deliberate abandonment by Plaintiff), the owner of Service Mark Registration No. 1,803,466 for THE STAIN.

156. Infringers, (Tradem Inc. and its predecessor 4 Walls Inc., as well as Aaron Lewis, Michael Mushok, Jon Wysocki, and Johnny April, either as contributory infringers or co-conspirators) have used the confusingly similar designation STAIND on goods and services which are similar to those provided by Stainbrook.

157. There is a likelihood that consumer confusion will develop between the use of the two similar marks so that numerous ordinary prudent purchasers are likely to be misled or confused as to the source of the goods or services.

158. Tradem Inc. and its predecessor 4 Walls Inc., as well as Aaron Lewis, Michael Mushok, Jon Wysocki, and Johnny April (either as contributory infringers or co-conspirators) have not had valid permission from Stainbrook to use the mark.

159. As a direct and proximate result of the infringers conduct, Stainbrook was injured and is entitled to recover damages including all gains profits and advantages obtained by infringers as a result thereof, in an amount to be proved at trial and which amount should be trebled, together with the costs of this action including reasonable attorneys fees, pursuant to 15 U.S.C. §1114, 1116 and 1117(a).

160. By reason of the actions of the infringers Stainbrook has suffered damage to his valuable commercial name, trade name, and/or mark, such damage to be proved at trial. Moreover, unless the infringers are restrained from further infringement, Stainbrook will continue to be damaged.

161. Stainbrook has no adequate remedy at law that will adequately compensate him for the irreparable harm that he will suffer if the conduct of the infringers is allowed to continue, and upon such facts, an order restraining infringers from future use of the mark or similar designations is appropriate and requested.

TENTH CLAIM FOR RELIEF

(Trademark Infringement under 15 U.S.C. §1125 – Infringers Tradem Inc., 4 Walls Inc., Aaron Lewis, Michael Mushok, Jon Wysocki, and Johnny April)

162. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

163. Stainbrook was the first person in Ohio, the United States and elsewhere, to adopt the mark THE STAIN or any name or mark similar thereto in association with the rendering of musical performances or in connection with the sales of t-shirts, buttons, and stickers.

164. As a result of Stainbrook's continued commercial use in commerce in connection with his business, THE STAIN has become widely known and identified in the public mind as the source of products and services to Stainbrook.

165. Infringers, (Tradem Inc. and its predecessor 4 Walls Inc., as well as Aaron Lewis, Michael Mushok, Jon Wysocki, and Johnny April, either as contributory infringers or co-conspirators) with intentional disregard for Stainbrook's rights, continue to use the STAIN mark in connection with the services and products they promote, distribute, import, manufacture, provide and sell (if any), and continue to use the STAIN mark in connection with the name of their band. Such acts have caused and continue to cause confusion as to the source and/or sponsorship of the products and services provided by Stainbrook and the infringers.

166. The acts of the infringers constitute willful infringement of Stainbrook's exclusive rights in THE STAIN in violation of the common law and 15 U.S.C. 1125.

167. By reason of the actions of the infringers, Stainbrook has suffered damage to his valuable commercial name, trade name, and/or mark, such damage to be proved at trial. Moreover, unless the infringers are restrained from further infringement of Stainbrook's mark, Stainbrook will continue to be damaged.

168. Stainbrook has no adequate remedy at law that will adequately compensate him for the irreparable harm that he will suffer if the conduct of the infringers is allowed to continue.

169. As a direct and proximate result of the infringers conduct Stainbrook was injured and is entitled to recover his actual damages or damages including all gains profits and advantages obtained by infringers as a result thereof, in an amount to be proved at trial together with the costs of this action including reasonable attorneys fees.

ELEVENTH CLAIM FOR RELIEF

(Cyberpiracy under 15 U.S.C. §1125(d) –Tradem Inc., 4 Walls Inc.)

170. Defendant repeats and incorporates by reference, all allegations set forth above and below, by reference, as if fully set forth herein.

171. On January 13, 1998 4 Walls Inc. registered, or had registered for its account, the internet domain name <staind.com>. Exhibit 6, attached, shows the Whois record for this domain name listing the management company for STAIN as the registrant.

172. Stainbrook has had valid trademark rights in THE STAIN from 1980 through the present, which entitled him to protection under the Lanham Act.

173. Alternatively, Stainbrook had valid trademark rights in THE STAIN from 1980 through his assignment to 4 Walls Inc. in 1999.

174. THE STAIN mark was famous at the time <staind.com> was registered.

175. At all times during Stainbrook's exclusive ownership of THE STAIN mark, the mark was distinctive.

176. As admitted by Plaintiff, STAIND is identical or confusingly similar to THE STAIN and is dilutive of the mark..

177. 4 Walls Inc. either through its own acts or the actions of an agent used, registered, or trafficked in the domain name <staind.com> with the bad faith intent to profit from its use of the domain name.

178. The actions of 4 Walls Inc. and its successor in interest Tradem Inc. constitute Cyberpiracy pursuant to 15 U.S.C. §1125(d).

179. As a direct and proximate result of the actions of 4 Walls Inc. and its successor in interest Tradem Inc., Stainbrook has been damaged in an amount to be proven at trial and is entitled to recovery of actual damages pursuant to 15 U.S.C. § 1117(a). Stainbrook further seeks the transfer of the infringing domain name and statutory damages pursuant to 15 U.S.C. § 1117(d) as well as attorneys fees and the costs of this action.or

RELIEF REQUESTED

WHEREFORE, Defendant Jon C. Stainbrook requests judgment as follows:

1. That Plaintiff takes nothing by way of their Complaint against Defendant;
2. That Plaintiff's Complaint against Defendant be dismissed with prejudice;
3. That the written contracts at issue be declared to be void ab initio and Stainbrook be awarded the damages requested above for trademark infringement.
4. Alternatively the written contracts be declared to have been breached first by the Plaintiff and Third Party Defendants and Stainbrook be awarded damages on his tort and breach claims as set forth above.
5. Additionally, or in the alternative that the oral contracts between Stainbrook and Schur be declared valid and enforceable, and Stainbrook be awarded damages as set forth above.

6. That the Court cancel the registrations for STAIND as further set forth above.
7. That the Court declare the validity of Stainbrook's rights in THE STAIN and allow the re-registration of that mark.
8. That Stainbrook be awarded pre-judgment interest and post-judgment interest, as appropriate;
9. That Stainbrook recover his attorneys' fees, costs, and disbursements incurred in this action;
10. That the Court order an accounting and Stainbrook recover infringers' profits obtained during the infringing period;
11. That the Court order statutory damages of \$100,000.00 or actual damages for violation of 15 U.S.C. 1125(d) as well as the transfer of <staind.com> to Stainbrook along with attorneys fees and the costs of this action;
12. That this Court order a preliminary and permanent injunction directing infringers, their employees, agents, successors and assigns, and all those in concert and participation with them, and each of them who receives notice directly or otherwise of such injunctions, to turn over all copies of infringing goods including CDs t-shirts and any other goods bearing the STAIND mark so they may be destroyed, to identify all uses made of Stainbrook's marks, to cease and desist from any future use of Stainbrook's marks, and for infringers to immediately cancel any concerts or appearances the promotion of which involved the mark STAIND.
13. That this Court enjoin the Plaintiff and Third Party Defendant's and all those in active participation with them from participating in further infringing acts;
14. That Stainbrook be awarded exemplary and punitive damages; and
15. That Stainbrook be awarded such other and further relief, in law and in equity, as this Court deems just and proper.
16. For an order directing infringers to file with the court and serve upon Stainbrook within thirty days after entry of judgment, a report in writing under oath, setting forth in detail the manner and form in which the infringers have complied with the above.
17. For such other and further relief as the Court may deem just and proper.

DATED: January 20, 2005

Respectfully Submitted,
/s/ anthony degidio
Anthony J. DeGidio (0069064)
Attorney for Defendant -
Counterclaimant and Third Party
Plaintiff Jon C. Stainbrook
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DEMAND FOR JURY TRIAL

Defendants request under Federal Rule of Civil Procedure 38 a trial by jury on all issues triable by right to a jury as declared by the Seventh Amendment to the United States Constitution, or as given by a statute of the United States.

/s/ anthony degidio
Anthony J. DeGidio, Esq.
Attorney for Defendant -
Counterclaimant and Third Party
Plaintiff Jon C. Stainbrook

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Answer in Intervention was filed electronically this 20th day of January 2005. Parties may access this filing throughout the Court's system. Notice of this filing will be sent to all parties by operation of the Court's electronic filing system. Additionally this document will be served pursuant to the Rules upon all parties added as Third Party Defendants.

/s/ anthony degidio
Anthony J. DeGidio, Esq.