Date: 02-01-2020
Attention:
Mark Mullen
Trademark Examining Attorney
Law Office 111
Mark.Mullen@uspto.gov
571-272-9201
Dear Examiner Mullen,

The applicant's response to the examiner's Office Action, dated August 02, 2019, application serial #88204719; HookedOnCBD™, is as follows:

SUMMARY OF ISSUES:

- Refusal – Not in lawful use in commerce
- FDCA Refusal – Not in lawful use

Refusal - Not in Lawful Use in Commerce

"Registration is refused because the applied-for mark was not in lawful use in commerce as of the filing date of the application. Trademark Act Sections 1 and 45, 15 U.S.C. §§1051, 1127; see TMEP §907."

Applicants response:

* The applicant disagrees.
* The Industrial Hemp oil related products of the applicant are all in lawful use. All of the passed and present hemp oil related products are lawful.
* The applicant does NOT grow or process any hemp oil related products.
* The applicant used to buy and use Industrial Hemp Oil imported from Canada. All of the Canadian Industrial hemp passes any USA Federal regulations.
* The applicant used to retail hemp oil products. Because of all the competition in the retail arena, the applicant selected to became a wholesaler. For years now, the applicant has progressed and change to becoming a licensor of all his brand names. The applicant still mails samples to prospective "Licensees", by request.
* In other words, the most profitable way for the applicant is to just license the brand name, and the use of the related registered domain name to a person or company and let them carry the responsibility of manufacture, packaging, labelling, inventory and networking the Industrial Hemp products. I act as a CONSULTANT.

In recent years the applicant has even SOLD some of his numerous Federal Registered brand names to people and companies that want to qualify to register with AMAZON®.

The applicant may NOT make as much money, but this simple transformation has far less headaches.

Herein, the applicant makes reference of the **Lanham Act**: *"The Lanham Act requires that a mark be used in commerce before it may be registered, unless the application to register the mark is based on a foreign registration. 15 U.S.C. §§1051(a), 1053.*

The term "commerce" refers to commerce that U.S. Congress may regulate. 15 U.S.C. § 1127.

The commerce clause of the U.S. Constitution lists the types of commerce Congress may regulate. For example, Congress may regulate interstate commerce (commerce that occurs between U.S. states), commerce with foreign nations, and commerce with Native American tribes.
Use of a mark that occurs solely within one U.S. state does not qualify as use in commerce unless that use directly affects a type of commerce Congress may regulate.
To satisfy the statutory requirement, the use must be bona fide *and in the ordinary course of trade. 15 U.S.C. § 1127.*
"Use in commerce" on goods occurs when a mark is affixed to the goods and such goods are sold or ***transported in commerce****. 15 U.S.C. § 1127. "Use in commerce" for services occurs when the mark is used on promotional materials that describe the services and the services are rendered in commerce. 15 U.S.C. § 1127."*
* The applicant's brand name "Licensees" agreement allows the licensee to follow which ever means they choose to manufacture, bottle, label, market and sell HookedOnCBD™

The Examining Attorney argues that applicant's mark, as used in connection with the goods listed in the application, is not in lawful use in commerce because the goods are prohibited under the CSA. However, as the Examining Attorney also correctly notes, the Agriculture Improvement Act of 2018 ("Farm Bill") was signed into law on December 20, 2018, and enacted on January 1, 2019, which removed "hemp" from the definition of "marijuana" under the CSA, and legalized the cultivation and sale of hemp oils at the federal level.

However, Industrial Hemp-based products derived from the "sterilized seeds for growing purposes" of the applicant's related products, have always been legal, and expressly excluded from the CSA, even prior to amendment of the Farm Bill. Moreover, Industrial Hemp derived from other parts of the Cannabis sativa L. plant that contains less than 0.3% THC is no longer characterized as a controlled substance under the CSA. Applicant's products are made with Industrial Hemp oil produced from the legal Industrial Hemp plant which were never prohibited by the CSA.

The 2018 Farm Bill defines "hemp" as the plant Cannabis sativa L. and any part of the plant with a delta-9 THC concentration of not more than 0.3 percent by dry weight. In addition, the 2018 Farm Bill authorizes interstate commerce of hemp and hemp products, and the interstate transportation or shipment of hemp and hemp products.

The applicant's goods contain legal Industrial Hemp oil, containing less than .03 percent THC. Applicant's goods do not contain marijuana, marijuana-based preparations, marijuana extracts or derivatives, synthetic marijuana, or any illegal controlled substances as defined under the CSA. Rather, Applicant's products are

legal under the Farm Bill's definition of "hemp", and moreover, have always been expressly excluded from the CSA.

Therefore, the goods to which applicant's mark applies comply with all applicable Federal laws, and in particular with the CSA 21 U.S.C. §§ 801-971.

Therefore, the applied-for mark, as used in connection with the goods identified in the application, is in lawful use in commerce, and the refusal under Trademark Act Sections 1 and 45, 15 U.S.C. §§1051, 1127, is inappropriate. Applicant respectfully requests withdrawal of the refusal.

As a result, applicant submits that he should be entitled to keep its current filing date, and respectfully requests withdrawal of the CSA refusal.

FDCA Refusal - Not in Lawful Use

"*Registration is also refused because the applied-for mark is not in lawful use in commerce. Trademark Act Sections 1 and 45, 15 U.S.C. §§1051, 1127; see TMEP §907. The goods to which the mark is applied must comply with all applicable federal laws. See In re Brown, 119 USPQ2d 1350, 1351 (TTAB 2016) (citing In re Midwest Tennis & Track Co., 29 USPQ2d 1386, 1386 n.2 (TTAB 1993) (noting that "[i]t is settled that the Trademark Act's requirement of 'use in commerce,' means a 'lawful use in commerce'")); In re Pepcom Indus., Inc., 192 USPQ 400, 401 (TTAB 1976); TMEP §907.*"

Applicants response:

* The applicant's Industrial Hemp product is fully legal and are NOT in any violation of any Federal laws.

"Cannabidiol legal status in the United States:

The DEA Drug Schedule classifies synthetic THC (Tetrahydrocannabinol) as a schedule III substance (e.g. Marinol); while the natural marijuana plant is listed as Schedule I. Cannabidiol is not named specifically on the list.[53] However, the CSA does mention all-natural phytocannabinoids in Schedule 1 Code 7372, which would include CBD.[53] Marijuana (along with all of its cannabinoids) is defined by 21 U.S.C. §802(16), which is part of the Controlled Substances Act.[54][55][56] There is an exemption for certain hemp products produced abroad. Under this exception, what are known as Industrial Hemp finished products are legally imported into the United States each year. Hemp finished products which meet the specific definitions, including hemp oil which may contain cannabidiol, are legal in the United States, but aren't used for getting high.[57]

Some cannabidiol oil is derived from marijuana and therefore contains higher levels of THC.[58] This type of cannabidiol oil would be considered a Schedule I as a result of the THC present.[58]"

* The applicant disagrees. The applicant's mark, and associated goods, are fully legal in the USA and are also in compliance with the FDCA and CSA.

* The applicant's goods are made of ALL-NATURAL healthy Industrial Hemp. The applicant's goods are fully natural and legal.

* FURTHER: Applicant traverses the examiners refusal and submits that any goods to which his mark is applied do in fact comply with all Federal laws and particularly with the Controlled Substance Act (CSA) 21 U.S.C. 801-971, and therefore the applied for mark, as used in connection with the Industrial Hemp goods identified in his application, are in lawful use in commerce.

Applicant's HookedOnCBD™ Industrial Hemp goods do not promote any marijuana, marijuana-based preparations, marijuana extracts or derivatives, nor any other controlled substances that are unlawful. Applicant's brand name, HookedOnCBD™ is derived from legal Industrial Hemp. Cannabidiol (CBD) is not to be confused with cannabinol (CBN). Because the FDA considers cannabinoids derived from hemp to be food-based products, no legal restrictions exist.

* Industrial Hemp, containing CBD, has achieved GRAS (Generally Recognized as Safe) status. Applicant submits that the FDCA does NOT require the manufacturer to obtain the opinion of FDA about the GRAS status of Industrial Hemp or CBD prior to using it as or in conventional foods.

* Associates of the applicant have access to a legal opinion letter concerning FDA jurisdiction and regulation of Cannabidiol and permissible claims under the Federal Food Drug and Cosmetic Act (FDCA) and the Federal Trade Commission Act (FTCA). The legal analysis contained in this letter addresses the Federal statutory and regulatory provisions of the FDCA and the FTCA as they pertain to the classification, labeling, promotion and marketing of Industrial Hemp and Cannabidiol in goods intended for human consumption. Further detailed facts, law and arguments that applicant's goods are not prohibited by The Controlled Substances Act (CSA) are as follows: 1) Cannabidiol (CBD) is not listed on the Controlled Substances Act (CSA) Drug Schedule The examiner's opinions of my mark based on the presence of cannabidiol in the related goods rendered of my mark HookedOnCBD™ is not based on actual evidence from the Drug Enforcement Administration (DEA). The Controlled Substances List by the Controlled Substances Act Schedule does NOT list cannabidiol (DEA Number 7372) as a controlled substance. Controlled Substances - By CSA Schedule - December 2013. (see attachments) In comparison, tetrahydrocannabinols (DEA Number 7370) appear on this list as Schedule I controlled substances. Among the "other names" of tetrahydrocannabinols are THC, Delta-8 THC, Delta-9 THC, dronabinol, and others. Cannabidiol has a different DEA Number and a different molecular structure and does not fit under the "others" for tetrahydrocannabinols. 21 CFR ?1308.11 Schedule I, does not list CBD cannabidiol (DEA Number 7273) as a controlled substance.

* Tetrahydrocannabinols are listed with the following language: "(31) Tetrahydrocannabinols Meaning tetrahydrocannabinols naturally contained in a plant of the genus Cannabis (cannabis plant), as well as synthetic equivalents of the

substances contained in the cannabis plant, or in the resinous extractives of such plant, and/or synthetic substances, derivatives, and their isomers with similar chemical structure and pharmacological activity to those substances contained in the plant, such as the following: 1 cis or trans tetrahydrocannabinol, and their optical isomers 6 cis or trans tetrahydrocannabinol, and their optical isomers 3,4 cis or trans tetrahydrocannabinol, and its optical isomers (Since nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of numerical designation of atomic positions covered.)". The language of 21 CFR ?1308.11 Schedule I clearly covers tetrahydrocannabinols, their isomers, and other compounds of these structures. Cannabidiol, which has a different molecular structure and a different DEA Control Number, is clearly not listed in the CSA Schedule I, and is clearly not included under the definition for tetrahydrocannabinols.

* Therefore, cannabidiol is not within the CSA Schedule I itself. 2) Hemp derived from natural Industrial Hemp is exempted from the marijuana definition under 21 U.S.C. 802(16) 21 U.S.C. 802(16) states: "The term "marijuana" means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin. * Such term does not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination." The goods rendered under the applicant’s applied-for mark recommend hemp derived from the seeds and mature stalk of Industrial Hemp. Hemp derived from hemp seeds and mature stalk falls squarely under the exception promulgated by 21 U.S.C. ?802 (16) as quoted above. Industrial Hemp is therefore NOT "marijuana" as defined by 21 U.S.C. ?802 (16). The goods the applicant sells concerning his Industrial Hemp related goods do not contain marijuana as defined by 21 U.S.C. ?802 (16), and are therefore exempted from the marijuana definition under this section, and is therefore the applicant’s goods are legal in interstate commerce. 3) Hemp Indus. Assn. v. Drug Enforcement Admin., 333 F.3d 1082 (9th Cir. 2003) clearly rules that natural Industrial Hemp oil, hemp seed hearts and hemp oil capsules are not marijuana. In Hemp Indus. Assn. USA LLC v. Drug Enforcement Admin., 333 F.3d 1082 (9th Cir. 2003), an association of companies that purchased and sold consumable products containing sterilized hemp seeds and oil filed petition for review, challenging the validity of the Drug Enforcement Administration (DEA) rule banning all naturally-occurring THC, including that found in Industrial Hemp seed and oil. There, the court held that: "The CSA lists marijuana and THC separately on Schedule I. See 21 U.S.C. 812(c), Sch. I(c)(10) & (17).

Marijuana is defined by the CSA as follows: [A]ll parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or

preparation of such plant, its seeds or resin. Such term does not include [emphasis added] the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, [emphasis added] any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed [emphasis added] of such plant which is incapable of germination. 21 U.S.C. ?802(16).

* The applicant's goods, Industrial Hemp oil and sterilized seeds, are explicitly exempted from this definition. "Hemp Indus. Assn. USA LLC v. Drug Enforcement Admin., 333 F.3d at 1088. Herein, the goods under the applicant's mark HookedOnCBD™ with stylized design refer to goods made in part from Industrial Hemp oil. The applicants mark is therefore explicitly exempted from the definition of marijuana. 4) Naturally-occurring cannabidiol does not change Industrial Hemp oil's legal status as exempted from the marijuana definition under 21 U.S.C. 802(16). In Hemp Indus. Assn. v. Drug Enforcement Admin., 357 F.3d 1012, 1017 (2004), the court held that the placing of non-psychoactive Industrial Hemp under Schedule I improperly renders naturally-occurring non- psychoactive Industrial Hemp illegal for the first time. The court there found that the DEA's Final Rules may NOT be enforced with respect to THC that is found within the parts of Cannabis plants that are excluded from the CSA's definition of "marijuana", or that is not synthetic. Hemp Indus. Assn. v. Drug Enforcement Admin., 357 F.3d at 1018. Specifically, the DEA "...[c]annot regulate naturally-occurring (emphasis included) THC not (emphasis included) contained within or derived from marijuana - i.e., non-psychoactive hemp products - because non-psychoactive hemp is not included in Schedule I. "Hemp Indus. Assn. v. Drug Enforcement Admin., 357 F.3d at 1018. Cannabidiol is a natural constituent of Industrial Hemp seed oil. See Leizer et al., "The Composition of Hemp Seed Oil and Its Potential as an Important Source of Nutrition," Journal of Nutraceuticals, Functional & Medical Foods, Vol. 2(4), 2000. The presence of naturally-occurring THC, a CSA Schedule I substance, does not change hemp goods status as exempted from the definition under the Hemp Industries case. The presence of cannabidiol, an unscheduled substance and a natural constituent of hemp, similarly does not affect Industrial Hemp legal status as exempted from the definition of marijuana.

* The applicant's goods have NO new technology. Just standard Industrial Hemp. There is a lot of competition on the conventional web and retail store market. Industrial hemp seed, oil and capsules are sold by a lot of retail websites. All of the applicant's goods were made from Industrial Hemp imported from Canada. Where they have very strict rules and regulations for their in-country use, and especially for exporting. Most of their Industrial Hemp goods are export to the USA. Therefore, in order to export, to the USA, Canada must follow very strict USA import rules and regulations. This scenario generates around a $100 million in export revenues for Canada. The Industrial hemp oil present in the applicant's goods, is all natural and follows the strict USA CSA, FDA & FDCA rules and regulations. NOTE: * This is a very important statement, the applicant is voluntarily making. * The applicant does

NOT purchase, package, advertise or sell any Industrial Hemp that is part of any PREPARATION.

* Therefore, the applicant wishes to traverse the examiners refusal since his goods are made in part of Industrial Hemp oil derived from Industrial Hemp. Accordingly, having complied with the examiner's requirements, it is hereby submitted that the refusal be withdrawn, and the present application be allowed to proceed to registration.

The applicant believes he has responded to all of the examiner's points.

Therefore, applicant respectfully submits that the applied-for mark should be allowed registration on the Principal Register.

If the present applicant cannot overcome the examiners refusals, the applicant herein wishes to amend the present application and petition for registration on the Supplemental Register.

Thanks for your help with my application.
Kindest regards,
John D. Blue / applicant-owner

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