IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Serial No. 88/314,537
Applicant: Discover Health, Inc.
Mark: ACTIVE
Filed: February 25, 2019

Attention: Mark T. Mullen, Trademark Attorney, Law Office 111
Commissioner for Trademarks
P.O. Box 1451
Alexandria, VA 22313-1451

Response to Office Action

This is a response by Discover Health, Inc. ("Applicant") to the Office Action dated September 24, 2019 in connection with Application Serial No. 88/314,537 (the "Application") for Applicant's ACTIVE mark ("Applicant's Mark").

Introduction

The Examining Attorney has rejected the Application for registration under Sections 1 and 45 of the Trademark Act, due to an alleged unlawful use in commerce as of the date of Applicant's first use in commerce. As discussed in more detail below, Applicant's use of Applicant's Mark was lawful as of the date of the application, and Applicant has amended the identification of goods to clarify as much. Applicant therefore respectfully requests the Examining Attorney withdraw its refusal and allow the Application to proceed to publication.

Refusal under Trademark Act Sections 1 and 45: Unlawful Use in Commerce

The examining attorney has rejected the Applicant for registration on the basis that Applicant's goods and/or services include items—namely, "non-medicated herbal body care products, namely, body oils, salves, and lip balms"—were prohibited by the Controlled

Substances Act (the "CSA") at the time of filing. Applicant's proposed amendments (below) clarifies that its goods are lawful under the 2014 Farm Bill and are not among the goods and services prohibited by the CSA. Accordingly, Applicant respectfully requests that the Examining Attorney withdrawal its refusal and allow Applicant's Application to publish.

I. Applicant's Retail Services for Goods Derived From Hemp as Defined in the 2014 Farm Bill are Lawful Under the CSA and Therefore Lawfully Offered in Interstate Commerce.

In order for an application to have a valid basis that could properly result in registration, the use of the mark has to be lawful. *See In re Pepcom Indus., Inc.*, 192 USPQ 400, 401 (TTAB 1976). Pursuant to Section 7606 of the 2014 United States Farm Act (7 U.S. Code § 5940 – Legitimacy of industrial hemp research), CBD derived from industrial hemp lawfully cultivated in a state that has enacted an industrial hemp pilot research program is legal in the state in which the hemp is cultivated. Additionally, pursuant to Sections 538 and 773 of the 2017 Consolidated Appropriations Act, federal funds cannot be used to "prohibit the transportation, processing, sale, or use of industrial hemp that is grown or cultivated in accordance with Section 7606 of the Agricultural Act of 2017, within or outside the State in which the industrial hemp is grown or cultivated." Thus, CBD derived from industrial hemp is thus not only legal in the state in which the hemp is grown, but also at the federal level throughout the United States.

Furthermore, products derived from the "mature stalks" or is "oil and cake made from the seeds" of the Cannabis plant fits within the plainly stated exception to the CSA definition of marijuana. The CSA states: "[t]he term 'marihuana' 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." 21 U.S.C. § 802(16). Thus, hemp stalks, fiber, oil and cake made from hemp seed, and sterilized hemp seed itself —i.e., those substances excluded from the definition of marijuana under 21 U.S.C. § 802(16)—are "non-psychoactive hemp" and are legal under the CSA.

Applicant's products are derived from non-psychoactive hemp and are therefore excluded from the purview of the federal Controlled Substances Act. Applicant therefore proposes to amend the following class of goods/services in the application:

Current:
International Class(es): 003, Non-medicated herbal body care products, namely, body oils, slaves, and lip balms.

Proposed:
International Class(es): 003, Non-medicated herbal body care products, namely, body oils, slaves, and lip balms containing hemp plant extract derived solely from the mature stalks and sterilized seeds of the hemp plant containing only naturally occurring CBD, all of the foregoing containing CBD with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3 percent on a dry weight basis.

Applicant's proposed amendment to the identification of goods clarifies that Applicant's goods contain non-psychoactive hemp having less than 0.3 percent THC, and are thus lawful under the CSA. Accordingly, the scope of Applicants Mark will be limited to goods compliant with federal law. Therefore, the CSA can no longer serve as grounds for refusal under Sections 1 and 45 of the Trademark Act.

Conclusion

Based on the foregoing, Applicant believes that it has satisfied all of the Examining Attorney's requirements and adequately resolved the refusal under Sections 1 and 45. Accordingly, Applicant requests that Applicant's Application be passed to publication.

Dated: March 23, 2020

LEYENDECKER & LEMIRE, LLC
Attorneys for Applicant

By: /Peter C. Lemire/
Peter C. Lemire, Esq.
5460 S. Quebec Street, Suite 330
Greenwood Village, CO 80111
(303) 768-0123