UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

EPISCOPAL DIOCESE OF FORT WORTH	§	
	§	
Plaintiff,	§	
	§	
VS.	§	**NO. 4:10-cv-00700-Y**
	§	
THE RT. REV. JACK LEO IKER	§	
	§	
Defendant.	§	

BRIEF IN SUPPORT OF PLAINTIFF THE EPISCOPAL DIOCESE OF FORT WORTH'S MOTION FOR PARTIAL SUMMARY JUDGMENT

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TO THE HONORABLE DISTRICT COURT:

Pursuant to Federal Rule of Civil Procedure 56, Plaintiff the Episcopal Diocese of Fort Worth ("the Episcopal Diocese") submits this Motion for Partial Summary Judgment and would respectfully show:

I. SUMMARY

Pursuant to Local Rule 56.3(a)(1), Plaintiff seeks summary judgment as to the following elements of its service mark infringement claim and request for injunctive relief:

1. Ownership in legally protectable marks (service mark infringement liability)
2. Likelihood of confusion (service mark infringement liability)
3. Irreparable injury (injunctive relief)
4. Remedies available at law inadequate (injunctive relief)
5. Balance of hardships favors Plaintiff (injunctive relief)
6. Injunction will not disserve the public interest (injunctive relief)[1]

II. INTRODUCTION

Defendant Iker, former Bishop of the Episcopal Diocese of Fort Worth, is the leader of a dissident faction that broke away from The Episcopal Church and its diocese and affiliated with a church in South America. But Iker continues to call his faction the Episcopal Diocese of Fort Worth. And he continues to use the Episcopal Diocese's federally-registered name and seal to provide competing religious services in the same location for the benefit of his new church. Defendant Iker's actions violate 100 years of bedrock First Amendment law and contradict his own sworn testimony against a previous breakaway faction in the Episcopal Diocese:

[1] This is a motion for partial summary judgment. Plaintiff does not move for summary judgment on the issue of damages for service mark infringement or on liability and damages for its service mark dilution claim. Plaintiff expressly reserves and does not waive its right to prove damages and to pursue its other claims.

> "Those persons acting in concord with the Defendants have constituted themselves as the Schismatic and Purported Church of the Holy Apostles. **Such persons are not members of the true Church of the Holy Apostles because they have joined the Antiochean Orthodox Church and thereby have *abandoned communion with The Episcopal Church .... The Schismatic and Purported Church of the Holy Apostles is a new creation, having no relation to Holy Apostles and no right to its property.***"
>
> – Defendant Jack Iker, leader of the current breakaway faction, testifying under oath about a prior breakaway faction.[2]

As a matter of law, Defendant Iker does not represent the Episcopal Diocese of Fort Worth and has no right to use its federally-registered name and seal without its approval. Judgment as a matter of law is proper, because the parties are using identical marks for the provision of competing religious services in the same location. Both parties admit confusion is inevitable. Both parties have validated the marks by asserting their own right to use and protect the marks from the other. But under 100 years of bedrock First Amendment and Texas church property law, Plaintiff is the only party that can use the name and seal of the Episcopal Diocese, because The Episcopal Church has made the strictly religious determination that Plaintiff is the only party authorized to act as the Episcopal Diocese. As a matter of law, civil courts must recognize, defer to, and apply this strictly religious determination. Defendant cannot, and in good faith will not, contest the indisputable fact that he has no authority from The Episcopal Church to act for the Episcopal Diocese of Fort Worth. Judgment as a matter of law is proper.

III. GROUNDS

Plaintiff relies on the following legal and/or factual grounds for summary judgment:

1. The Episcopal Diocese of Fort Worth was formed from within The Episcopal Church and has been using its diocesan name and seal ("the marks") since 1983.

[2] A280 (Ex. G-2, Iker Aff. at 4) (emphasis added).

2. As a matter of law, civil courts must recognize, defer to, and apply The Episcopal Church's strictly religious determination of who constitutes and leads the Episcopal Diocese of Fort Worth.

3. The Episcopal Church recognizes Plaintiff as the Episcopal Diocese of Fort Worth. The Episcopal Church does not recognize Defendant and his followers as leaders, members, or representatives of the Episcopal Diocese of Fort Worth.

4. Plaintiff the Episcopal Diocese of Fort Worth holds two federally-registered service marks from the United States Patent and Trademark Office, for its name and seal.

5. Defendant Iker, a former bishop of The Episcopal Church who left the Church and affiliated with a church in South America, continues to use these identical federally-registered Episcopal marks and in fact claims to be the Episcopal Diocese of Fort Worth, despite the fact that he is not authorized to do so by The Episcopal Church.

6. Plaintiff's marks are presumed valid and protectable because they are federally-registered. Defendant Iker and his faction have already conceded the validity and protectability of these marks, by attempting to assert their own exclusive rights to the marks by demand letter from counsel and by attempting to bring infringement claims before this Court. The marks are valid as a matter of law because they are distinct and have secondary meaning.

7. Plaintiff is the presumed owner of these marks, because it holds a federal registration for the marks. Plaintiff owns these marks because it is the only entity recognized by The Episcopal Church as the Episcopal Diocese. Defendant Iker concedes that the Episcopal Diocese owns the marks constituting the name and seal of the Episcopal Diocese; he is just wrong as a matter of law as to who the Episcopal Diocese is.

8. As a matter of law, when two parties use identical marks, likelihood of confusion is inevitable. Defendant Iker and his faction, through legal counsel, admit that use of the marks by both Plaintiff and Defendant is likely to cause confusion, in their demand letter and in their representations to this Court. It is indisputable that confusion has already occurred. The "digits of confusion" test, while unnecessary because the marks are identical, is met.

9. Defendant Iker's threatened argument that Plaintiff committed "fraud" on the patent office is contrary to law, akin to his counsel's tactic of attempting to sue opposing counsel. As a matter of law, it is not sufficient for a fraudulent registration defense to prove that a plaintiff failed to disclose that others were using the mark if the plaintiff did not believe that such third-parties had that right. Here, Plaintiff the Episcopal Diocese, the only party so-recognized by The Episcopal Church and therefore by law, has no belief that Iker has any right to the mark. This is confirmed by Iker's own prior testimony. Iker's fraud claims are baseless.

10. For all these reasons, Plaintiff is entitled to judgment as a matter of law that Defendant Iker is liable for service mark infringement.

11. As a matter of law, Plaintiff is also entitled to injunctive relief because a likelihood of confusion constitutes irreparable harm where, as here, the service mark owner cannot control the quality of the unauthorized user's goods and services; because Plaintiff is powerless to control Iker's effect on its goodwill and image; because an injunction would merely bring Iker's actions into conformance with the law; and because the public has a crucial interest in distinguishing between "producers" in the intensely personal realm of religion.

12. Plaintiff files and incorporates as if set forth herein an appendix in support of its Motion and Brief pursuant to Local Rule 56.6 and this Court's Requirement II.A.1.A.1.[3]

[3] This appendix contains only those exhibits referenced in each affidavit that Plaintiff relies upon in this motion and brief. However, Defendant has previously received copies of all exhibits referenced in each affidavit.

IV. LIVE PLEADINGS

Pursuant to the Court's Requirement 2.A.1.A.1, the live pleadings for each party are:

Party	Name of Pleading	Date filed	Docket No.
Plaintiff: Episcopal Diocese of Fort Worth	Complaint	9/21/10	1
Defendant: The Rt. Rev. Jack Leo Iker	Original Answer of the Rt. Rev. Jack Leo Iker	10/13/10	7

V. UNCONTESTED FACTS

A. Overview.

1. The Episcopal Church is a religious denomination founded in the late 1780's composed of a national General Convention, 111 regional dioceses, and approximately 7,600 local congregations.[4] Each regional diocese is required on formation to "acced[e] to the Constitution and Canons of this Church."[5] Each diocesan bishop must pledge in writing to "conform to the Doctrine, Discipline, and Worship of the Episcopal Church."[6] As Defendant Iker previously explained to another federal court: "ECUSA [The Episcopal Church] has a national body that leads the overall church," and the "various dioceses" are "below" the General Convention and "have canons that cannot be inconsistent with national canons."[7]

2. Defendant Iker is a former Bishop of The Episcopal Church's Diocese of Fort Worth. Iker severed ties with The Episcopal Church and affiliated with a church in South

[4] A46, 47, 49-50 (Ex. C-1, Statement of Robert Bruce Mullin at ¶¶ 24, 29, and 35).

[5] A154, 156 (Ex. D-11, Church Art. V.1 and Church Canon I.10.4); A331-32 (Exs. I-1, I-2, Resolutions to Amend Constitution Article V.1 and to Ratify the Division of the Diocese of Dallas Into Two Jurisdictions).

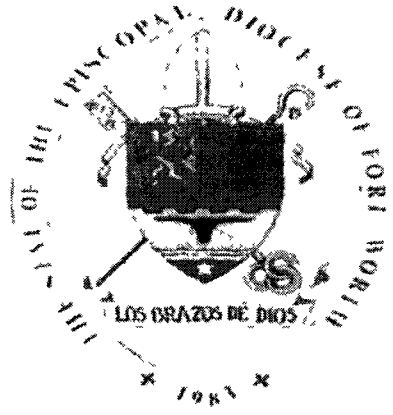
[6] A155 (Ex. D-11, Church Art. VIII).

[7] A304-05 (Ex. G-3, Iker Amicus Brief at 10-11); *see also* A155 (Ex. D-11, Church Art. VIII).

America called "the Southern Cone" that is not part of The Episcopal Church. The Episcopal Church's Presiding Bishop, acting under the Church's highest authority, the General Convention, removed Iker from authority within the Church.[8]

3. The Episcopal Church recognizes Plaintiff as the Episcopal Diocese of Fort Worth.[9] The Episcopal Church does not recognize Defendant Iker and his breakaway faction as being leaders of, or having any authority to act for, the Episcopal Diocese of Fort Worth.[10]

4. Plaintiff holds two service marks from the United States Patent and Trademark Office: USPTO Registration No. 3,820,400 ("The Episcopal Diocese of Fort Worth") and USPTO Registration No. 3,826,996 (seal of The Episcopal Diocese of Fort Worth, pictured below):[11]



[8] A143 (Ex. D-8, Renunciation of Ordained Ministry and Declaration of Removal and Release of Rt. Rev. Jack Leo Iker); A212 (Ex. F-5, Notice of Special Meeting of the Convention of the Episcopal Diocese of Fort Worth from the Presiding Bishop of the Episcopal Church, acknowledging that there was, at the time, "no Bishop of the Episcopal Diocese of Fort Worth, or any qualified members of the Standing Committee of the Diocese").

[9] A5-7 (Ex. A, Ohl Aff. at ¶ 5); A28-29 (Ex. B, Gulick Aff. at ¶ 7); A186, 188-92 (Ex. E-1, Excerpts from the 2009 Journal of the General Convention); A193-96 (Ex. E-2, Diocesan Report to Executive Council); A148-49 (Ex. D-10, Excerpt from The Episcopal Church Annual for 2009); A23-25 (Ex. A-2, Letters of Congratulations and Commendation); A115-17 (Ex. D-1, Excerpts from the Episcopal Church Annual, 2010).

[10] A143 (Ex. D-8, Renunciation of Ordained Ministry and Declaration of Removal and Release); A212 (Ex. F-5, Notice of Special Meeting from the Presiding Bishop dated February 7, 2009 recognizing that, at that time, there was "no Bishop of the Episcopal Diocese of Fort Worth"); A327 (Ex. H-2, Letter from Presiding Bishop to Iker's former Standing Committee members stating "I do not recognize you as the Standing Committee of the Episcopal Diocese of Fort Worth").

[11] A213-14 (Ex. F-6, Certificate of Registration of Name); A215-16 (Ex. F-6, Certificate of Registration of Seal).

5. Since leaving The Episcopal Church, Defendant Iker has provided, marketed, and advertised religious works and services for his new church in the North-Central Texas area using the name "The Episcopal Diocese of Fort Worth" and the seal of The Episcopal Diocese of Fort Worth.[12] The Episcopal Church and Plaintiff do not authorize, consent to, or approve of Defendant Iker's use of these marks.[13] Plaintiff has made demand that Iker stop.[14]

6. Defendant Iker and his breakaway faction, through legal counsel, have complained that the use of these identical marks by Plaintiff and Defendant causes a likelihood of confusion.[15]

B. The Episcopal Diocese of Fort Worth.

7. Effective in 1983, the Episcopal Diocese of Fort Worth was formed from within The Episcopal Church and its Episcopal Diocese of Dallas, by action of the Church's General Convention.[16] At its Primary Convention, the Episcopal Diocese unanimously pledged "pursuant to approval of the 67th General Convention of The Episcopal Church, [to] hereby fully subscribe to and accede to the Constitution and Canons of The Episcopal Church."[17] Article 1 of the Episcopal Diocese's founding constitution read: "The Church in this Diocese accedes to the Constitution and Canons of the Episcopal Church in the United States of America, and

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[12] Iker's Answer at ¶ 44 (admitting that "Defendant Bishop has used these marks"); A8 (Ex. A, Ohl Aff. at ¶ 6); A31 (Ex. B, Gulick Aff. at ¶ 16); A33-34 (Ex. B-2, Demand Letter); A203 (Ex. F, Wells Aff. at ¶ 13); A217-28 (Ex. F-7, Examples of Iker's unauthorized use of the Marks); A351-66 (Exs. L-2, L-3, Pages from Iker's Website and Online Search Results).

[13] Iker's Answer at ¶ 14 (admitting that "Plaintiff does not provide, sponsor, authorize, or control the content of the religious services and works of Defendant"); A8 (Ex. A, Ohl Aff. at ¶ 6); A31 (Ex. B, Gulick Aff. at ¶ 16); A344 (Ex. K, Second Gulick Aff. at ¶ 4).

[14] A33-34 (Ex. B-2, Demand Letter); A8 (Ex. A, Ohl Aff. at ¶ 6).

[15] *See* Iker's Faction's proposed "Complaint in Intervention of The Corporation of The Episcopal Diocese of Fort Worth," filed Oct. 18, 2010 ("Complaint in Intervention") at ¶ 43 ("The use of the Marks by [Plaintiffs] causes a likelihood of confusion to the detriment of [Defendant Iker's faction].").

[16] A121-22 (Ex. D-3, Journal of the General Convention (1982) at pp. C-169-70).

[17] A124-31 (Ex. D-4, Proceedings of the Primary Convention of the Episcopal Diocese of Fort Worth (1982) at pp. 25-32).

recognizes the authority of the General Convention of said Church."[18] In 1983, the new Episcopal Diocese received real and personal property in 24 Texas counties that had been acquired by The Episcopal Church for its religious mission in the region over the preceding 144 years.[19]

8. Since 1983, the Episcopal Diocese of Fort Worth has continuously provided, advertised, and marketed its religious services and works under the name "The Episcopal Diocese of Fort Worth" and under the seal pictured at ¶ 4, which contains the words "The Seal of the Episcopal Diocese of Fort Worth + 1983 +" (again, "the marks").[20]

C. Defendant Iker and his past admissions.

9. Eleven years after the creation of the Diocese, Defendant Jack Leo Iker became the ordained Bishop of the Episcopal Diocese of Fort Worth after 1) he was elected by the Convention of the Diocese, 2) the leadership of a majority of the other dioceses of The Episcopal Church consented to his ordination as a bishop, 3) he promised in writing to "conform to the Doctrine, Discipline, and Worship of The Episcopal Church," and 4) he was ordained and consecrated as a Bishop of The Episcopal Church by the Presiding Bishop and other bishops of the Church, all in accordance with the Constitutions and canons of The Episcopal Church and of the Diocese.[21]

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[18] A133 (Ex. D-5, Diocesan Art. 1).

[19] A119 (Ex. D-2, Excerpts from the 1838 Journal of the General Convention); A162-64 (Ex. D-13, Excerpts from Proceedings of a Convention of the Clergy and Laity of the Protestant Episcopal Church in the State of Texas, 1849); A168-69, 172 (Ex. D-14, Excerpts from the 1850 Journal of the General Convention); A175-76 (Ex. D-15, Excerpts from the Journal of the Diocese of Texas, 1874); A178-82 (Ex. D-16, Excerpts from the 1874 Journal of the General Convention); A313, 315-16 (Ex. G-4, Judgment in *Episcopal Diocese of Dallas v. Mattox*, at pp. 4, 6-7).

[20] A334 (Ex. J, McClain Aff. at ¶ 2); A336-42 (Exs. J-1, J-2, J-3, Documents showing use of Name and Seal); A160 (Ex. D-12, Excerpt from 1984 Episcopal Church Annual).

[21] A138 (Ex. D-6, Declaration of Conformity signed by Jack L. Iker); A139-42 (Ex. D-7, Order of Service for the Ordination and Consecration of the Rev. Jack Leo Iker); A153, 155 (D-11, Church Art. II, VIII).

10. While Defendant Iker was still an Episcopal Bishop, he testified by affidavit in Texas state court against a breakaway faction that left The Episcopal Church and joined a church that is not part of The Episcopal Church. Referring to that breakaway faction – which attempted to take the name "Church of the Holy Apostles" and church property with it – Defendant Iker told the court that a faction cannot "abandon communion with The Episcopal Church" but claim to be the "true Church of the Holy Apostles":

> "Those persons acting in concord with the Defendants have constituted themselves as the Schismatic and Purported Church of the Holy Apostles. **Such persons are not members of the true Church of the Holy Apostles because they have joined the Antiochean Orthodox Church *and thereby have abandoned communion with The Episcopal Church* . . . . *The Schismatic and Purported Church of the Holy Apostles is a new creation, having no relation to Holy Apostles and no right to its property*.**"[22]

Iker also testified in the *Holy Apostles* litigation that "[t]he Diocese is an *hierarchical church*, meaning . . . each parish consists of *members of The Episcopal Church* confirmed in or transferred to that parish . . . . Under the Constitution of the Diocese and under Canon law, *no person may be a member of a parish who is not a member of The Episcopal Church*."[23]

11. While still an Episcopal Bishop, Defendant Iker also filed an amicus brief with the Fourth Circuit Court of Appeals, in which he made the following arguments, among others:

- "[T]he General Convention is the body which alters and revises the Canons of the Church. *Below that are various dioceses* which are generally geographical in nature. The national church is governed by the Constitution and Canons of ECUSA [The Episcopal Church], as Revised by the Convention of 2000. *The dioceses have canons that cannot be inconsistent with national canons*."[24]

- "The Rt. Rev. Jack Leo Iker is the Bishop of the Diocese of Fort Worth (Texas) *of the Episcopal Church USA*."[25]

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[22] A280 (Ex. G-2, Iker Aff. at 4) (emphasis added)).

[23] A277-78 (Ex. G-2, Iker Aff. at 1, 2 (emphasis added)).

[24] A304-05 (Ex. G-3, Iker Amicus Brief at 10-11) (footnotes omitted, emphasis added)).

[25] A300 (Ex. G-3, Iker Amicus Brief at 1 (emphasis added)).

- "A bishop *must adhere to the constitution and canons of the Church or be subject to discipline.*"[26]

- "[I]n a *constitutionally ordered church such as ECUSA* that freely permits movement of its clergy between dioceses, the decision of a bishop must be governed by a more objective standard."[27]

- "*To allow each diocesan bishop absolute freedom to determine who is and is not duly qualified would, in part, render ECUSA a loose association of independent regional church bodies. There must be some national standard* by which 'duly qualified' can be determined."[28]

- "The lower court *misunderstood the polity of the Episcopal Church USA* hereinafter "Episcopal Church", "ECUSA" or "the Church"), *specifically in reference to the nature, power and role of a bishop within the Episcopal Church.* The court's *misunderstanding led to at least three reversible errors* in the court's ruling."[29]

D. Defendant Iker leaves The Episcopal Church and is replaced as Bishop.

12. In November 2008, Defendant Iker left The Episcopal Church over a theological dispute.[30] He and his followers severed ties with The Episcopal Church and affiliated with a religious organization based in South America called "the Southern Cone" that is not part of The Episcopal Church.[31]

13. The continuing members of the Episcopal Diocese of Fort Worth loyal to The Episcopal Church, in consultation with the Church's Presiding Bishop, replaced Defendant Iker with a Provisional Bishop, The Rt. Rev. Edwin F. Gulick, Jr.[32] Iker's followers who had held leadership positions were replaced with new local leaders who are clergy or lay members in good

[26] A303 (Ex. G-3, Iker Amicus Brief at 4 (emphasis added)).

[27] A306 (Ex. G-3, Iker Amicus Brief at 13 (emphasis added)).

[28] A305 (Ex. G-3, Iker Amicus Brief at 11 (emphasis added)).

[29] A301 (Ex. G-3, Iker Amicus Brief at 2 (emphasis added)).

[30] A199-200 (Ex. F, Wells Aff. at ¶ 4); A206 (Ex. F-1, Report from the Constitution and Canons Committee); A207 (Ex. F-2, Proposed Resolution for Admission to the Anglican Province of the Southern Cone); A208-09 (Ex. F-3, "As We Realign"); A210-11 (Ex. F-4, "Responses to Attempted Inhibition of the Bishop").

[31] *Id.*

[32] A3-6 (Ex. A, Ohl Aff. at ¶ 4); A15-16 (Ex. A-1, Resolution Ratifying Actions of February 7, 2009 Special Convention); A26-27 (Ex. B, Gulick Aff. at ¶¶ 3-5); A230-38, 240 (Ex. F-8, Excerpts from 2009 Journal of Special Convention and Diocesan Convention at 19-20, 33-35, 40, 77, 84, 86-87, 120).

standing with The Episcopal Church.[33] The highest authorities of The Episcopal Church, including the General Convention and the Presiding Bishop acting under the General Convention's authority, recognize Plaintiff as the continuing Episcopal Diocese of Fort Worth, formerly led by The Rt. Rev. Gulick, Jr. and currently led by The Rt. Rev. C. Wallis Ohl, respectively, as its provisional bishops.[34] The Church's highest authorities also recognize that Defendant Iker is no longer a member of the clergy of The Episcopal Church and no longer holds the position of Bishop of the Episcopal Diocese of Fort Worth.[35] To this day, the Episcopal Diocese of Fort Worth, recognized by The Episcopal Church, provides Episcopal religious services and works for its numerous worshipping congregations in the North-Central Texas area, under the same name and seal it has used for over twenty-five years.[36]

E. Defendant Iker uses the Episcopal Diocese's marks without authority.

14. Defendant Iker continues to use the name and seal of the Episcopal Diocese for the benefit of his new, Southern Cone-affiliated church.[37] Although he has severed all ties with, and been removed from any authority within, The Episcopal Church, Defendant Iker continues to hold himself out as "Bishop" of "the Episcopal Diocese of Fort Worth" and to provide, advertise,

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[33] *Id.*

[34] A5-7 (Ex. A, Ohl Aff. at ¶ 7); A26, 28-29 (Ex. B, Gulick Aff. at ¶¶ 3, 7); A115-17 (Ex. D-1, Excerpts from the Episcopal Church Annual, 2010); A144-45 (Ex. D-9, Consent Forms signed by Bishop Gulick and Standing Committee); A148-49 (Ex. D-10, Excerpt from The Episcopal Church Annual, 2009); A186, 188-92 (Ex. E-1, Excerpts from the 2009 Journal of the General Convention); A193-96 (Ex. E-2, Diocesan Report to Executive Council); A212 (Ex. F-5, Notice of Special Meeting); A230 (Ex. F-8, Excerpts from 2009 Journal of Special Convention and Diocesan Convention); A326 (Ex. H-1, Consent Forms signed by Bishop Ohl).

[35] A143 (Ex. D-8, Renunciation of Ordained Ministry and Declaration of Removal and Release, declaring that Iker had voluntarily renounced his ordained ministry in the Church and was "therefore, removed from the Ordained Ministry of [the] Church and released from the obligations of Ministerial offices" in the Church); A212 (Ex. F-5, Notice of Special Meeting from the Presiding Bishop dated February 7, 2009 recognizing that, at that time, there was "no Bishop of the Episcopal Diocese of Fort Worth").

[36] A334 (Ex. J, McClain Aff. at ¶ 2).

[37] Original Answer of The Rt. Rev. Jack Leo Iker, filed Oct. 13, 2010, ("Iker's Answer") at ¶ 44 (admitting that "Defendant Bishop has used these marks"); A8 (Ex. A, Ohl Aff. at ¶ 6); A31 (Ex. B, Gulick Aff. at ¶ 16); A203 (Ex. F, Wells Aff. at ¶ 13); A217-28 (Ex. F-7, Examples of Iker's unauthorized use of the Marks); A351-66 (Exs. L-2, L-3, Pages from Iker's Website and Online Search Results).

and market religious services and works in the North-Central Texas area using Plaintiff the Episcopal Diocese's marks.[38] Plaintiff and The Episcopal Church do not provide, sponsor, authorize, or control the content of Defendant Iker's religious services and works.[39] Plaintiff and The Episcopal Church have not given Defendant Iker express or implied consent to use this name and seal.[40] Plaintiff has made demand that Iker stop this unauthorized use.[41]

15. In May 2009, the Rt. Rev. Edwin F. Gulick, Jr., as Provisional Bishop of the Episcopal Diocese, acting through the diocesan Chancellor, Kathleen Wells, authorized John A. Powell and his law firm Naman, Howell, Smith & Lee, LLP to apply for and seek registration of the name and seal of the Episcopal Diocese of Fort Worth as service marks with the United States Patent and Trademark Office (USPTO).[42] In July and August of 2010, the USPTO granted two federally-registered service marks to Plaintiff the Episcopal Diocese of Fort Worth, for marks it has been using continuously since 1983: USPTO Registration No. 3,820,400 ("The Episcopal Diocese of Fort Worth") and USPTO Registration No. 3,826,996 (seal of The Episcopal Diocese of Fort Worth).[43] Despite demand to stop,[44] and despite being informed of the issued federal service marks, Defendant Iker has continued to use Plaintiff's name and seal.[45]

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[38] *Id.*

[39] Iker's Answer at ¶ 14 (admitting that "Plaintiff does not provide, sponsor, authorize, or control the content of the religious services and works of Defendant").

[40] A8 (Ex. A, Ohl Aff. at ¶ 6); A31 (Ex. B, Gulick Aff. at ¶ 16); A203 (Ex. F, Wells Aff. at ¶ 13); A344 (Ex. K, Second Gulick Aff. at ¶ 4).

[41] A33-34 (Ex. B-2, Demand Letter); A8 (Ex. A, Ohl Aff. at ¶ 6).

[42] A343-44 (Ex. K, Second Gulick Aff. at ¶ 3).

[43] A213-14 (Ex. F-6, Certificate of Registration of Name); A215-16 (Ex. F-6, Certificate of Registration of Seal).

[44] A33-34 (Ex. B-2, Demand Letter).

[45] Iker's Answer at ¶ 44 (admitting that "Defendant Bishop has used these marks"); A8 (Ex. A, Ohl Aff. at ¶ 6); A31 (Ex. B, Gulick Aff. at ¶ 16); A33-34 (Ex. B-2, Demand Letter); A203 (Ex. F, Wells Aff. at ¶ 13); A217-28 (Ex. F-7, Examples of Iker's unauthorized use of the Marks); A351-66 (Exs. L-2, L-3, Pages from Iker's Website and Online Search Results).

VI. SUMMARY JUDGMENT STANDARD

Summary judgment is appropriate if "the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law."[46] "No genuine issue of material fact exists if the summary-judgment evidence is such that no reasonable juror could find in favor of the nonmovant."[47] To be entitled to summary judgment, the moving party must identify those portions of the record that demonstrate the absence of a genuine issue of material fact.[48] Once the moving party carries its burden, the burden shifts to the nonmovant to come forward with specific facts beyond the pleadings that demonstrate the existence of a genuine issue for trial.[49] To satisfy its burden, the nonmovant must present "significant probative" evidence that there is a genuine issue of material fact.[50] If the nonmovant's evidence is only colorable or not significantly probative, summary judgment should be granted.[51]

VII. SUMMARY OF THE ARGUMENT

Judgment as a matter of law is proper. Both parties are using identical marks – the name and seal of the Episcopal Diocese of Fort Worth – to market religious works and services in the same geographic location. Each party is claiming to *be* the Episcopal Diocese of Fort Worth. But only one party, Plaintiff, has a legal basis to do so, because, under the First Amendment, civil courts must defer to the hierarchical Episcopal Church's strictly religious determination of who represents the Episcopal Diocese. The Episcopal Church recognizes Plaintiff and not

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[46] FED. R. CIV. P. 56(a).

[47] *Jenkins v. Methodist Hosps. of Dallas, Inc.*, 478 F.3d 255, 260 (5th Cir. 2007).

[48] FED. R. CIV. P. 56(c)(1)(A); *Celotex Corp. v. Catrett*, 477 U.S. 317, 325 (1986); *Amazing Spaces, Inc. v. Metro Mini Storage*, 608 F.3d 225, 234 (5th Cir. 2010).

[49] *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986); *Fields v. City of S. Houston*, 922 F.2d 1183, 1187 (5th Cir. 1991).

[50] *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 249-50 (1986); *Conkling v. Turner*, 18 F.3d 1285, 1295 (5th Cir. 1994).

[51] *Anderson*, 477 U.S. at 249-50.

Defendant's breakaway ex-Episcopalian faction as the continuing Episcopal Diocese. And only Plaintiff holds two federally-registered marks for its name and seal, granting Plaintiff a presumption of ownership and validity of the marks as a matter of law. The marks are valid as a matter of law because they are descriptive and have secondary meaning. Defendant Iker and his faction have already acknowledged the validity of the marks in their own demand letter and attempted complaint-in-intervention, which both seek to assert rights under the marks. Likelihood of confusion exists as a matter of law because the parties are using identical marks. Defendant Iker and his faction have already acknowledged that likelihood of confusion exists in their own demand letter and complaint-in-intervention. Likelihood of confusion is also present as a matter of law under the eight digits of confusion, though it is not necessary to weigh these digits where the marks are identical. And confusion has already indisputably occurred. Finally, an injunction against Defendant Iker's use of the marks is necessary as a matter of law because Plaintiff the Episcopal Diocese cannot control Iker's use of the marks or its effect on Plaintiff's goodwill; because a likelihood of confusion exists; because an injunction would only conform Iker's actions to the law; and because the public interest strongly favors preventing confusion and misattribution in the intensely personal realm of religion.

VIII. ARGUMENT AND AUTHORITIES

Defendant Iker is using identical marks to Plaintiff's federally-registered service marks and claiming to be the same entity as Plaintiff. As a matter of law, he is infringing Plaintiff's marks and injunctive relief is proper.

A. As a matter of law, Defendant Iker is infringing Plaintiff the Episcopal Diocese's service marks under the Lanham Act.

The Lanham Act provides protection for service marks, which are defined in the Act to include "any word, name, symbol, or device, or any combination thereof [used or intended to be

used] to identify and distinguish the services of one person, including a unique service, from the services of others and to indicate the source of the services."[52] To enforce this protection for service marks, the Lanham Act gives the owner of a valid mark a cause of action for infringement when the mark is unlawfully used by another service provider.[53] "To prevail on [an] infringement claim, the plaintiffs must show two things. First, they must establish ownership in a legally protectable mark, and second, they must show infringement by demonstrating a likelihood of confusion."[54] Because there is no genuine dispute as to material fact for either element, Plaintiff the Episcopal Diocese is entitled to summary judgment on its service mark infringement claim.

i. Element One: Plaintiff the Episcopal Diocese has a valid ownership interest in legally protectable marks.

Because Plaintiff the Episcopal Diocese holds federally-registered service marks for its name and seal with the USPTO, Plaintiff is entitled as a matter of law to the presumption that (1) it "has the exclusive right to use the registered mark in commerce with respect to the specified goods or services" and (2) the marks are legally protectable under the Lanham Act.[55] In addition to this presumption, it is indisputable as a matter of law that Plaintiff owns valid marks.

As to ownership, both parties agree that the continuing Episcopal Diocese of Fort Worth (or its corporation) owns the marks,[56] and established First Amendment law requires that the

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[52] 15 U.S.C. § 1127. Service marks protect providers of services and are distinct from trademarks, which protect manufacturers of goods. *See id.* "Although trademarks and service marks are separately defined, their definitions under the Lanham Act closely track each other, and the cases construing the two terms inform our analysis equally." *Amazing Spaces*, 608 F.3d at 236 n.10.

[53] 15 U.S.C. §§ 1114, 1125.

[54] *Bd. of Supervisors of La. State Univ. Agric. & Mech. Coll. v. Smack Apparel*, 550 F.3d 465, 474 (5th Cir. 2008), *cert. denied*, ___ U.S. ___, 129 S. Ct. 2759 (2009).

[55] *Amazing Spaces*, 608 F.3d at 237.

[56] *See, e.g.*, Iker's Answer at ¶ 43 ("These marks and shield are owned by Intervenor The Corporation of The Episcopal Diocese of Fort Worth"); Motion of The Corporation of The Episcopal Diocese of Fort Worth to

Court defer to The Episcopal Church's purely ecclesiastical determination that Plaintiff is the continuing Episcopal Diocese of Fort Worth. Under 100 years of unchanged Texas church property law, whichever party The Episcopal Church recognizes as the Episcopal Diocese is entitled to diocesan property, including the marks.

As to validity, Iker and his counsel have already represented to the Court and to Plaintiff that the marks are legally protectable, in the Iker-faction's own demand letter and attempted counterclaim for service mark infringement.[57] Even without this concession, the marks are legally protectable as a matter of law because they are legally distinctive.

(1) The Episcopal Diocese owns the marks in question.

First, Plaintiff is entitled as a matter of law to the presumption that it "has the exclusive right to use the registered mark[s]" by virtue of its federal registration with the USPTO.[58]

Second, Plaintiff owns the marks under a century of law. Both parties claim that their status as the leadership of the continuing Episcopal Diocese of Fort Worth (and its subsidiary corporation) entitles them to use the marks.[59] Thus, as far as ownership of the marks is concerned, the only true dispute involves which group rightfully constitutes or controls the continuing Episcopal Diocese of Fort Worth and its corporation. Under 100 years of unchanged First Amendment law, the Court must recognize, defer to, and apply The Episcopal Church's strictly religious determination that Plaintiff is the Episcopal Diocese of Fort Worth. Under the

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Intervene, filed Oct. 18, 2010, ("Motion to Intervene") at ¶ 5 ("Intervener Diocesan Corporation is the lawful owner of the marks that are the subject of the complaint"); Iker-faction's 10/18/10 Complaint in Intervention at ¶ 8 ("The Intervener Diocesan Corporation was formed in 1983.").

[57] *See* Iker-faction's 10/18/10 Complaint in Intervention at ¶¶ 41-45.

[58] *Amazing Spaces*, 608 F.3d at 237.

[59] *See* Iker's Answer at ¶ 43 ("These marks and shield are owned by Intervenor The Corporation of The Episcopal Diocese of Fort Worth"); Motion to Intervene at ¶ 5 ("Intervener Diocesan Corporation is the lawful owner of the marks that are the subject of the complaint"); Complaint in Intervention at ¶ 8 ("The Intervener Diocesan Corporation was formed in 1983.").

parties' shared view that whoever is the Episcopal Diocese owns the marks, Plaintiff properly owns those rights. And even without this consensus, under 100 years of unchanged Texas church property law, Plaintiff, as the only entity recognized by The Episcopal Church as the Episcopal Diocese, has the right to diocesan property, including the marks.

(a) Plaintiff Episcopal Diocese is the presumed owner of the marks because it holds valid federal registrations for the marks.

Registration of a mark with the USPTO constitutes prima facie evidence of the registrant's ownership of the mark.[60] The USPTO granted Plaintiff the Episcopal Diocese registrations for its name "The Episcopal Diocese of Fort Worth" (Registration Number 3,820,400) and seal (Registration Number 3,826,996) on July 20, 2010 and August 3, 2010, respectively.[61] Pursuant to the statutory provisions of the Lanham Act and Fifth Circuit precedent, these registrations constitute prima facie evidence that the Episcopal Diocese owns the marks.[62] In addition, under a century of law, Plaintiff owns the marks.

(b) As a matter of law, Plaintiff is the continuing Episcopal Diocese of Fort Worth that has owned the marks since 1983 because Plaintiff is recognized as such by The Episcopal Church.

Both parties agree that the continuing Episcopal Diocese of Fort Worth, formed effective 1983 as a diocese of The Episcopal Church, (or the corporation created by the Diocese to hold diocesan property) owns the marks. Iker claims that the group he leads is the continuing Episcopal Diocese of Fort Worth, but this claim flies in the face of clear First Amendment law.

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[60] 15 U.S.C. 1115(a); *see also Amazing Spaces*, 608 F.3d at 237 ("Registration of a mark with the PTO constitutes prima facie evidence of . . . registrant's exclusive right to use the registered mark in commerce with respect to the specified goods or services.").

[61] A213-14 (Ex F-6, Certificate of Registration for Diocesan Name); A215-16 (Ex F-6, Certificate of Registration for Diocesan Seal).

[62] *See* 15 U.S.C. 1115(a); *Amazing Spaces*, 608 F.3d at 237.

The Episcopal Church is hierarchical as a matter of law. As a result, the First Amendment requires that this Court defer to The Episcopal Church's own determinations as to the core ecclesiastical questions of local church identity, governance, discipline, and control. Thus, only The Episcopal Church can determine who leads and represents the Episcopal Diocese of Fort Worth and its institutions, and The Episcopal Church recognizes Plaintiff as the continuing Episcopal Diocese of Fort Worth.

(i) The Episcopal Church is a hierarchical church.

Based on the core undisputed facts in Section V above and confirmed by Defendant Iker's admissions below,[63] The Episcopal Church is plainly hierarchical as a matter of law. The Episcopal Church meets the United States Supreme Court's definition of a hierarchical church, and it clearly does not meet the definition of a non-hierarchical or "congregational" church. Every court in the nation to consider the issue has ruled that The Episcopal Church is a hierarchical church. And Defendant Iker has already testified and pled to prior courts that The Episcopal Church is hierarchical; as a matter of law, he cannot contradict himself now to this Court.

The United States Supreme Court recognizes two types of churches: congregational and hierarchical.[64] A congregational church is a church that is "strictly independent of other ecclesiastical associations, and so far as church government is concerned, owes no fealty or obligation to any higher authority."[65] A hierarchical church, in contrast, is one in which local churches are "organized as a body with other churches having similar faith and doctrine with a

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[63] *See* Section VIII.A.i.(1)(b)(ii).

[64] *Watson v. Jones*, 80 U.S. 679, 722-25 (1871) (describing the two types of churches and using the term "congregational" for the first; the term "hierarchical" would be applied to the second *Watson* category by later courts, including those citing *Watson* at notes 66 and 67, *infra*).

[65] *Id.* at 722-23; *accord Dean v. Alford*, 994 S.W.2d 392, 395 n.1 (Tex. App.—Fort Worth 1999, no pet.) (citing *Watson*, 80 U.S. at 722-23).

common ruling convocation or ecclesiastical head."[66] In a hierarchical church, the local church is "a subordinate member of some general church organization in which there are superior ecclesiastical tribunals with a general and ultimate power of control more or less complete, in some supreme judicatory over the whole membership of that general organization."[67]

The Episcopal Church has an uncontested three-tiered structure, with authority ranging from the General Convention down through regional dioceses to local parishes.[68] Each level is subordinate to the levels above.[69] As a condition of formation, each diocese is required to pledge "accession to the Constitution and Canons of this Church."[70] Each diocese's bishop pledges, as a condition of ordination, to "conform to the Doctrine, Discipline, and Worship of the Episcopal Church."[71] At its Primary Convention, the Episcopal Diocese of Fort Worth unanimously pledged "pursuant to approval of the 67th General Convention of The Episcopal Church, [to] hereby fully subscribe to and accede to the Constitution and Canons of The Episcopal Church."[72] Article 1 of the Episcopal Diocese's founding constitution stated: "The Church in this Diocese accedes to the Constitution and Canons of the Episcopal Church in the United States of America, and recognizes the authority of the General Convention of said Church."[73]

As Defendant Iker has told prior courts, when he was still an Episcopal bishop: "The national church is governed by the Constitution and Canons of [The Episcopal Church];"

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[66] *Kedroff v. St. Nicholas Cathedral of the Russian Orthodox Church in N. Am.*, 344 U.S. 94, 110 & n.15 (1952) (citing *Watson*, 80 U.S. at 722-23).

[67] *Watson*, 80 U.S. at 722-23; *accord Dean*, 994 S.W.2d at 395 n.1 (citing *Watson*, 80 U.S. at 722-23).

[68] A46, 47, 49-50 (Ex. C-1, Statement of Robert Bruce Mullin at ¶¶ 24, 29, and 35).

[69] *Id.*

[70] A154, 156 (Ex. D-11, Church Art. V.1 and Church Canon I.10.4); A331-32 (Exs. I-1, I-2, Resolutions to Amend Constitution Article V.1 and to Ratify the Division of the Diocese of Dallas Into Two Jurisdictions).

[71] A155 (Ex. D-11, Church Art. VIII).

[72] A124-31 (Ex. D-4, Proceedings of the Primary Convention of the Episcopal Diocese of Fort Worth (1982) at pp. 25-32).

[73] A133 (Ex. D-5, Diocesan Art. 1).

dioceses are "below" the General Convention and "have canons *that cannot be inconsistent with national canons*;"[74] a "bishop *must adhere to the constitution and canons of the Church or be subject to discipline*;"[75] and that, in failing to recognize these facts, "[t]he lower court *misunderstood the polity of the Episcopal Church USA* hereinafter "Episcopal Church", "ECUSA" or "the Church"), *specifically in reference to the nature, power and role of a bishop within the Episcopal Church.*"[76]

There is simply no way Defendant Iker can claim now, genuinely, that local dioceses or parishes within The Episcopal Church are "**strictly independent of other ecclesiastical associations, and so far as church government is concerned, owe[] no fealty or obligation to any higher authority**."[77]

Every court across the nation to consider the issue has found that The Episcopal Church is hierarchical. *See, e.g.*, *Dixon v. Edwards*, 290 F.3d 699, 716 (4th Cir. 2002) ("[T]he Canons of the Episcopal Church clearly establish that it is a hierarchy."); *In re Episcopal Church Cases*, 198 P.3d 66, 81-82 (Cal.), *cert. denied*, ___ U.S. ___, 130 S. Ct. 179 (2009); *New v. Kroeger*, 84 Cal. Rptr. 3d 464, 469-71 (Cal. Ct. App. 2008) ("The Episcopal Church is a hierarchical church with a three-tiered organizational structure."); *Diocese of San Joaquin v. Schofield*, No. 08 CECG 01425, Order on Plaintiffs' Motion for Summary Adjudication at 5-6 (Cal. Super. Ct. July 21, 2009) ("[I]t is beyond dispute that the Episcopal Church is a hierarchical church"), *vacated on other grounds*, *Schofield v. Superior Court*, No. F058298, 2010 WL 4644707, at *4 (Cal. Ct. App. Nov. 18, 2010) (holding that district court erred by adjudicating the religious question of

[74] A304-05 (Ex. G-3, Iker Amicus Brief at 10-11) (footnotes omitted, emphasis added).

[75] A303 (Ex. G-3, Iker Amicus Brief at 4 (emphasis added)).

[76] A301 (Ex. G-3, Iker Amicus Brief at 2 (emphasis added)).

[77] *Watson*, 80 U.S. at 722 (emphasis added).

which bishop was the "true" Bishop of the Episcopal Diocese rather than simply deferring to The Episcopal Church's determination of this ecclesiastical fact); *Rector, Wardens & Vestrymen of Trinity-St. Michael's Parish, Inc. v. Episcopal Church in the Diocese of Conn.*, 620 A.2d 1280, 1285-86 (Conn. 1993); *Rector, Wardens & Vestrymen of Christ Church in Savannah v. Bishop of the Episcopal Diocese of Ga., Inc.*, 699 S.E.2d 45, 48 (Ga. Ct. App. 2010) ("[C]areful consideration of the National Episcopal Church's structure and history persuades us that the National Episcopal Church is hierarchical."); *Parish of the Advent v. Protestant Episcopal Diocese of Mass.*, 688 N.E.2d 923, 931-32 (Mass. 1997); *Episcopal Diocese of Mass. v. Devine*, 797 N.E.2d 916 (Mass. App. Ct. 2003); *Bennison v. Sharp*, 329 N.W.2d 466, 472-73 (Mich. Ct. App. 1982) ("[T]he undisputed facts show the Protestant Episcopal Church to be hierarchical with regard to property, as well as spiritual matters."); *Protestant Episcopal Church in the Diocese of N.J. v. Graves*, 417 A.2d 19, 24 (N.J. 1980) ("The Protestant Episcopal Church in the United States of America is a hierarchically structured organization which by virtue of its constitution and canons exercises pervasive control over its constituent parishes and missions."); *Trs. of the Diocese of Albany v. Trinity Episcopal Church of Gloversville*, 684 N.Y.S.2d 76, 78 n.2 (N.Y. App. Div. 1999); *Tea v. Protestant Episcopal Church in the Diocese of Nev.*, 610 P.2d 182, 183-84 (Nev. 1980); *In re Church of St. James the Less*, No. 953NP, 2003 WL 22053337, at *6-7 (Pa. Ct. Com. Pl. Mar. 10, 2003), *aff'd in relevant part*, 888 A.2d 795 (Pa. 2005) ("[T]he Church is . . . hierarchical because it functions under a National Constitution and Canons that grant the General Convention and the individual bishops of the diocese broad authority over the affairs of the individual parishes, and because each tier of the Episcopal Church's polity is bound by, and may not take actions that conflict with, the decisions of a higher tier.").

Moreover, courts routinely make this finding on summary judgment as a matter of law, given the indisputable three-tier constitutional and canonical structure of The Episcopal Church, with levels of authority from the General Convention down to the local officers, and with regional dioceses and local parishes pledging accession in plain language in their recorded Constitutions, Canons, and Declarations of Conformity.[78] All of this points to the obvious conclusion that The Episcopal Church is hierarchical as a matter of law.

(ii) Defendant Iker is judicially estopped from arguing that The Episcopal Church is not hierarchical.

Even if it were not crystal clear that The Episcopal Church is hierarchical, Defendant Iker is judicially estopped from arguing otherwise here, because he has admitted the Church's hierarchy to previous courts while still a bishop within The Episcopal Church, and while his breakaway faction was still a part of the Church. Under governing federal law,[79] "[j]udicial

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[78] *See, e.g.*, *Dixon*, 290 F.3d at 703, 716; *Diocese of San Joaquin*, No. 08 CECG 01425, Order on Plaintiffs' Motion for Summary Adjudication at 5-6 (Cal. Super. Ct. July 21, 2009) ("The hierarchical nature of the [Episcopal] Church is apparent from its governing documents as a matter of law."), *vacated on other grounds*, *Schofield v. Superior Court*, No. F058298, 2010 WL 4644707 (Cal. Ct. App. Nov. 18, 2010); *Rector, Wardens & Vestrymen of Christ Church in Savannah*, 699 S.E.2d at 48; *Episcopal Diocese of Mass.*, 797 N.E.2d at 920-21; *Trs. of the Diocese of Albany*, 684 N.Y.S.2d at 78 & n.2; *Bennison*, 329 N.W.2d at 472-73 (affirming summary judgment because "[t]he trial court correctly found that the Protestant Episcopal Church is hierarchically structured as a matter of law" and, therefore, "that control of the property should remain with the minority, who were determined by higher authority within the hierarchical church to properly represent the congregation for which the property was purchased."); *Protestant Episcopal Church in the Diocese of N.J.*, 417 A.2d at 21-22, 24. Of the cases that did not decide the issue of The Episcopal Church's hierarchical structure on summary judgment, one case decided the issue prior to summary judgment, *see In re Episcopal Church Cases*, 198 P.3d at 70-71, 81-82 (reversing dismissal of plaintiffs' complaints and rendering judgment for plaintiffs), one case decided the issue in dismissing for lack of jurisdiction, *see Parish of the Advent*, 688 N.E.2d at 931-32, 934, and one case decided the issue on an unspecified "motion hearing," which in all probability was a motion for summary judgment, *see Kroeger*, 84 Cal. Rptr. 3d at 468-71, 474 ("Because this is an issue of law on undisputed facts, and we are determining questions of constitutional law, we review the trial court's decision de novo."). Of the few cases that actually went to trial, one court concluded that the Episcopal Church is hierarchical, *In re Church of St. James the Less*, 2003 WL 22053337, at *20, one court found that the evidence was "uncontroverted" that The Episcopal Church is hierarchical, *Rector, Wardens & Vestrymen of Trinity-St. Michael's Parish, Inc.*, 620 A.2d at 1285-86, and one case noted that the trial court determined that The Episcopal Church is hierarchical based on the "regulations of the Episcopal church polity," *Tea*, 610 P.2d at 184.

[79] *Hall v. GE Plastic Pac. PTE Ltd.*, 327 F.3d 391, 395 (5th Cir. 2003) ("generally this Circuit considers judicial estoppel a matter of federal procedure and therefore applies federal law"); *U.S. for Use of Am. Bank v. C.I.T. Const. Inc. of Texas*, 944 F.2d 253, 258 n.7 (5th Cir. 1991) ("Since we are deciding a federal issue, we apply the federal law of judicial estoppel.") (per curiam).

estoppel is a doctrine that protects the integrity of court proceedings by preventing 'a party from asserting a claim in a legal proceeding that is inconsistent with a claim taken by that party in a previous proceeding.'"[80] Further, "because it is an equitable doctrine, judicial estoppel is not rigidly defined,"[81] and "the decision whether to invoke it [is] within the court's discretion."[82] However, the Fifth Circuit has generally "recognized at least two requirements to invoke the doctrine: (1) the party's position must be clearly inconsistent with its previous one, and (2) the previous court must have accepted the party's earlier position."[83]

Defendant Iker has argued twice in judicial proceedings that The Episcopal Church is hierarchical. First, in 2002, Iker filed an *amicus* brief with the Fourth Circuit Court of Appeals in which he successfully maintained the position that The Episcopal Church is a hierarchical church.[84] Among other admissions listed in Section V.C., *supra*, Defendant Iker told the prior court that dioceses are "below" the General Convention and cannot have canons inconsistent with the national canons,[85] and that bishops "must adhere to the constitution and canons of the Church or be subject to discipline."[86] Iker's statements are inherently *inconsistent* with a non-hierarchical or "congregational" church, which is "strictly independent of other ecclesiastical associations, and so far as church government is concerned, owes no fealty or obligation to any

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[80] *Reed v. City of Arlington*, 620 F.3d 477, 481 (5th Cir. 2010) (quoting *New Hampshire v. Maine*, 532 U.S. 742, 749 (2001) (quoting 18 MOORE'S FEDERAL PRACTICE, § 134.30, pp. 134-62 (3d ed. 2000)).

[81] *Reed*, 620 F.3d at 481.

[82] *In re Coastal Plains, Inc.*, 179 F.3d 197, 205 (5th Cir. 1999).

[83] *Hopkins v. Cornerstone Am.*, 545 F.3d 338, 347 (5th Cir. 2008), *cert. denied*, ___ U.S. ___, 129 S. Ct. 1635 (2009) (citing *Hall*, 327 F.3d at 396). A third factor sometimes applied is that the contradictory party gained an "unfair advantage" over the opposing party. *See, e.g.*, *Reed*, 620 F.3d at 481. To the extent this factor is weighed in this Circuit, it is clearly met here: Plaintiff relied on Iker's purported adherence to and acceptance of hierarchy in allowing him to act as Bishop, pursuant to his oath of conformity – to Plaintiff's detriment in the present matter where Iker has reversed positions.

[84] A299-309 (Ex. G-3, Iker Amicus Brief).

[85] A304-05 (Ex. G-3, Iker Amicus Brief at 10-11).

[86] A303 (Ex. G-3, Iker Amicus Brief at 4 (emphasis added)).

higher authority."[87]

Iker is judicially estopped from contradicting his prior admission that The Episcopal Church is hierarchical, even though the party that he supported did not prevail on the merits, [88] because the Fourth Circuit accepted his position that The Episcopal Church is hierarchical "as part of [the] final disposition."[89] Namely, although the Fourth Circuit did not agree with Iker regarding certain implications of The Episcopal Church's status as a hierarchical church, the court expressly found, as Iker had argued, that The Episcopal Church is hierarchical.[90] Thus, Iker is estopped from contradicting his successfully maintained position that The Episcopal Church is hierarchical. [91]

Second, Iker is also judicially estopped from arguing that The Episcopal Church is not hierarchical because of statements he made in an affidavit he filed in Texas state court in the *Holy Apostles* case. That case involved an attempt by a congregation within the Episcopal Diocese to break away from the Episcopal Diocese and take the local parish's name and property.[92] As part of the Episcopal Diocese's efforts to recover the parish property from its former leaders and members, and while Iker held the position of Bishop Coadjutor of the Episcopal Diocese, Iker filed an affidavit clearly representing that The Episcopal Church is

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[87] *Watson*, 80 U.S. at 722.

[88] *Hall*, 327 F.3d at 398-99 (noting that the "judicial acceptance requirement" does not mandate that "the party against whom the judicial estoppel doctrine is to be invoked must have prevailed on the merits").

[89] *Id.* at 398 ("The previous court's acceptance of a party's argument could be either as a preliminary matter or as part of a final disposition.").

[90] *Dixon*, 290 F.3d at 716 ("[T]he Canons of the Episcopal Church clearly establish that it is a hierarchy.").

[91] This is true regardless of whether this Court classifies Iker's position as a statement of fact or a legal assertion. *See Helfand v. Gerson*, 105 F.3d 530, 535 (9th Cir. 1997) ("The greater weight of federal authority, however, supports the position that judicial estoppel applies to a party's stated position, regardless of whether it is an expression of intention, a statement of fact, or a legal assertion." (citing *In re Cassidy*, 892 F.2d 637, 641-42 (7th Cir. 1990)); *In re Ellington*, 151 B.R. 90, 97 n.16 (Bankr. W.D.Tex. 1993) ("Judicial estoppel applies to changes in position on both legal and factual matters.").

[92] A253-54 (Ex. G-1, Petition in Holy Apostles Case at ¶ 11).

hierarchical. Among other things, Iker stated that "[t]he Diocese is an *hierarchical church*, meaning . . . each parish consists of *members of The Episcopal Church* confirmed in or transferred to that parish . . . . Under the Constitution of the Diocese and under Canon law, *no person may be a member of a parish who is not a member of The Episcopal Church.*"[93] These representations are also inconsistent with any argument that Iker might now make that The Episcopal Church is not hierarchical.[94]

Iker's past statements were explicitly intended to induce courts' reliance on his arguments regarding the hierarchical nature of the church and the inability of constituent parts of the church to break away from The Episcopal Church.[95] Judicial estoppel should prevent Iker from, in the words of this Court in *Hopkins*, "playing fast and loose with the courts to suit the exigencies of [Iker's] self-interest."[96]

(iii) Because The Episcopal Church is hierarchical, courts must recognize, defer to, and apply the Church's strictly ecclesiastical determination of

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[93] A277-78 (Ex. G-2, Iker Aff. at 1, 2 (emphasis added)).

[94] Although the state court in the *Holy Apostles* litigation did not expressly accept Iker's position that The Episcopal Church is hierarchical, Iker is still judicially estopped from taking a contrary position because the breakaway parish settled with the Diocese and relinquished any claim to parish property. A243 (Ex. G, Nelson Aff. at ¶ 3). This Court recently found, in another case in which the prior proceeding had settled, that a plaintiff was estopped from arguing that he was an employee for the purposes of his pending case because he had argued in the prior proceeding that he was an independent contractor. *Hopkins v. Cornerstone Am.*, 512 F. Supp. 2d 672, 684-85 (N.D.Tex. 2007) (Means, J.), *rev'd on other grounds*, 545 F.3d 338, 347-48 (5th Cir. 2008) (emphasis added). As this Court noted, the Fifth Circuit has held that "**[t]he judicial acceptance requirement does not mean that the party against whom the judicial estoppel doctrine is to be invoked must have prevailed on the merits** . . . Our cases suggest that doctrine may be applied whenever a party makes an argument with the explicit intent to induce the district court's reliance." *Id.* at 684 (citing *Hall*, 327 F.3d at 398 (emphasis added)). Although the Fifth Circuit on appeal noted in dicta that applying judicial estoppel when there has not been any indication that the prior court had accepted the estopped party's prior position might be inconsistent with the relevant authority on judicial estoppel, it did not overturn the language in *Hall* that calls for applying estoppel whenever a party makes an argument with the explicit intent to induce the district court's reliance. *Hopkins v. Cornerstone Am.*, 545 F.3d 338, 348 n.2 (5th Cir. 2008).

[95] *See, e.g.*, A280 (Ex. G-2, Iker Aff. at 4 ("[The breakaway clergy and members of the vestry calling themselves the Church of the Holy Apostles] are not members of the true Church of the Holy Apostles because they have joined the Antiochean Orthodox Church and thereby *have abandoned communion with The Episcopal Church*...") (emphasis added)).

[96] 512 F. Supp. 2d at 685 (citation omitted).

the identity, structure, and leadership of subordinate church entities.

For over 100 years, the United States Supreme Court and Texas courts have consistently held that, in deciding property and other disputes, civil courts must recognize, defer to, and apply a hierarchical church's decisions on questions of internal leadership, organization, governance, discipline, identity, and control. The United States Supreme Court has held that "*questions of church discipline and the composition of the church hierarchy are at the core of ecclesiastical concern.*"[97] As the Fort Worth Court of Appeals affirmed: "Civil courts are bound to accept the decisions of the highest judicatories of a religious organization of hierarchical polity on matters of discipline, faith, internal organization, or ecclesiastical rule, custom, or law."[98] The Dallas Court of Appeals, citing the United States Supreme Court, similarly affirmed: The free exercise clause of the First Amendment "bars government involvement in disputes concerning the structure, leadership, or internal policies of a religious institution."[99] Accordingly, as the Supreme Court of Texas held in 1909 and reaffirmed in 2007, "whenever the questions of discipline or of faith or ecclesiastical rule, custom, or law have been decided by the highest of these church judicatories to which the matter has been carried, the legal tribunals must accept such decisions as final, and as binding on them, in their application to the case before them."[100]

This principle is based on the United States Supreme Court's First Amendment doctrine dating back to *Watson* in 1871:

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[97] *Serbian E. Orthodox Diocese for United States & Canada v. Milivojevich*, 426 U.S. 696, 709, 717 (1976) (emphasis added).

[98] *Patterson v. Sw. Baptist Theological Seminary*, 858 S.W.2d 602, 605-06 (Tex. App.—Fort Worth 1993, no writ)) (emphasis added) (citing *Milivojevich*, 426 U.S. at 713).

[99] *Turner v. Church of Jesus Christ of Latter-Day Saints*, 18 S.W.3d 877, 889-90 (Tex. App.—Dallas 2000, pet. denied) (citing *Milivojevich*, 426 U.S. at 709).

[100] *Brown v. Clark*, 116 S.W. 360, 363 (Tex. 1909) (quoting *Watson*, 80 U.S. at 727) (internal quotation marks omitted), *cited with approval in Westbrook v. Penley*, 231 S.W.3d 389, 398 (Tex. 2007).

> [T]he First and Fourteenth Amendments permit hierarchical religious organizations to establish their own rules and regulations for *internal discipline and government*, and *to create tribunals for adjudicating disputes* over these matters. *When this choice is exercised and ecclesiastical tribunals are created to decide disputes over the government and direction of subordinate bodies*, **the Constitution *requires* that civil courts accept their decisions as binding upon them.**[101]

The First Amendment and Texas law require civil courts to recognize, defer to, and apply the decisions of the hierarchical church regarding leadership, identity, and control, because these are core ecclesiastical issues. The Fourteenth Court of Appeals recently reaffirmed:

> [C]ivil courts may not intrude into the church's governance of religious or ecclesiastical matters, such as theological controversy, church discipline, ecclesiastical government, or the conformity of members to standards of morality. *In addition, courts should not involve themselves in matters relating to the hiring, firing, discipline, or administration of clergy. The relationships between an organized church and its ministers are considered a church's "lifeblood" and matters involving those relationships are recognized as "of prime ecclesiastical concern."*[102]

The United States Supreme Court similarly held, in a case where a clergyman sued a hierarchical church for his appointment as chaplain under an unambiguous civil will:

> Because the *appointment is a canonical act, it is the function of the church authorities to determine what the essential qualifications of a chaplain are and whether the candidate possesses them.... **[T]he decisions of the proper church tribunals on matters purely ecclesiastical, although affecting civil rights, are accepted in litigation before the secular courts as conclusive***....[103]

And where a hierarchical church defrocked a sitting bishop, dividing his diocese into three parts, and the bishop sued "to have himself declared the true Diocesan Bishop" entitled to control of

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[101] *Milivojevich*, 426 U.S. at 724-25 (emphasis added); *accord Kedroff*, 344 U.S. at 113-14; *Watson*, 80 U.S. at 727.

[102] *Lacy v. Bassett*, 132 S.W.3d 119, 123 (Tex. App.–Houston [14th Dist.] 2004, no pet.) (emphasis added) (citations omitted).

[103] *Gonzalez v. Roman Catholic Archbishop of Manila*, 280 U.S. 1, 16 (1929) (emphasis added).

the property at issue,[104] the United States Supreme Court held that "civil courts are bound to accept the decisions of the highest judicatories of a religious organization of hierarchical polity."[105]

Where two factions claim to be the "true" local church, only the hierarchical church, and not civil courts, can decide which party is correct. A century of Texas law, applying unchanging First Amendment doctrine, "**requires deference to [the hierarchical church's] identity of [one party], the loyal group, as the representative of the local church.**"[106] Similar holdings have been consistently reached and applied by courts across the nation.[107] In fact, an appellate court in California recently applied this bedrock principle in a case involving another diocese of The Episcopal Church whose leaders sought unsuccessfully to take that diocese out of the Church and into the same South American church:

> The dispute set forth in the request for declaratory relief in the first cause of action, namely, whether Schofield [the breakaway bishop] or Lamb [the newly elected bishop loyal to The Episcopal Church] is the incumbent Episcopal Bishop of the Diocese of San Joaquin, is quintessentially ecclesiastical . . . . [T]he validity of such removals and appointments are not subject to further adjudication by the trial court. The continuity of the diocese as an entity within

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[104] *Milivojevich*, 426 U.S. at 703-07.

[105] *Id.* at 713.

[106] *Schismatic & Purported Casa Linda Presbyterian Church in Am. v. Grace Presbytery, Inc.*, 710 S.W.2d 700, 707 (Tex. App.—Dallas 1986, writ ref'd n.r.e.) (emphasis added); *see also Brown*, 116 S.W. 360.

[107] *Kroeger*, 84 Cal. Rptr. 3d at 485 (courts are required to defer to diocese's determination concerning the qualifications and identity of individuals entitled to serve as leaders of an Episcopal parish), *ordered published by* 202 P.3d 1089 (Cal. 2009); *Episcopal Diocese of Mass.*, 797 N.E.2d at 921-22 (where dispute involved "question of which individuals hold authority to act on behalf of [the church] . . . we consider the matter to be inappropriate for determination by application of neutral principles of law"); *St. Mary of Egypt Orthodox Church, Inc. v. Townsend*, 532 S.E.2d 731, 736 (Ga. Ct. App. 2000) (trial court had erred in determining whether dissident group were "members in good standing with the power to participate in the affairs of the [church] corporation"); *Metro. Philip v. Steiger*, 98 Cal. Rptr. 2d 605, 609 (Cal. Ct. App. 2000) ("[C]ivil courts are 'ill-equipped' to resolve disputes over which faction represents the 'true' church."); *Protestant Episcopal Church in the Diocese of N.J.*, 417 A.2d at 24-25 (the "individual defendants have disaffiliated themselves from The Protestant Episcopal Church and thereby automatically terminated their eligibility to hold office as Wardens and Vestrymen of [the parish]."); *Church of God of Madison v. Noel*, 318 S.E.2d 920, 924 (W. Va. 1984) (where "the proper church authorities had already determined who were the proper trustees of the Church of God of Madison, the civil courts were bound to abide by that decision").

> the Episcopal Church is likewise a matter of ecclesiastical law, finally resolved, for civil law purposes, by the Episcopal Church's recognition of Lamb as the bishop of that continuing entity.[108]

Here, because it is indisputable that (1) The Episcopal Church is a hierarchical church[109] and (2) Plaintiff the Episcopal Diocese is the only Fort Worth diocese recognized by The Episcopal Church,[110] Plaintiff owns the marks because Plaintiff is the continuing Episcopal Diocese of Fort Worth that has used and owned the marks since its formation effective 1983.

(iv) The Episcopal Church recognizes Plaintiff as the continuing Episcopal Diocese of Fort Worth.

Pursuant to the clear First Amendment law discussed above, this Court should recognize and apply The Episcopal Church's determination that Plaintiff is the continuing Episcopal Diocese of Fort Worth. It is undisputed that this is the finding of the highest authorities of the hierarchical church to which the matter has been carried, including the national General Convention and the Presiding Bishop acting under its authority.[111] It is also indisputable that Iker has been removed from power by The Episcopal Church, and the group he purports to lead is not recognized by or affiliated with The Episcopal Church.[112] As a matter of law, therefore, Plaintiff is the continuing Episcopal Diocese of Fort Worth that has used and owned the marks since they came into existence in 1983.

(v) Because Plaintiff is the Episcopal Diocese as a matter of law, it owns the Episcopal Diocese's marks.

The parties both claim that the Episcopal Diocese of Fort Worth or its subordinate

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[108] *Schofield v. Superior Court*, --- Cal. Rptr. 3d ----, No. F058298, 2010 WL 4644707, at *4-5 (Cal. App. Ct. Nov. 18, 2010).

[109] *See* Sections VIII.A.i.(1)(b)(i) and (ii), *supra.*

[110] *See* Section VIII.A.i.(1)(b)(iv), *infra.*

[111] *See* Sections V.A.3 and V.D.13, *supra.*

[112] *Id.*

Corporation own the service marks, the diocese's name and seal.[113] Both parties claim to be the Episcopal Diocese. Under the law, Plaintiff is the Episcopal Diocese. By Defendant Iker's own framework, Plaintiff and not Defendant owns, and has the right to use, these marks.

As a practical matter, resolving the identity question ought to resolve this service mark question: only the party that *is* the continuing Episcopal Diocese that has used these marks for a quarter century can continue to use the marks by calling itself the Episcopal Diocese.

But, in addition, to the extent it is necessary to reach it, a century of Texas church property law under the First Amendment compels the same conclusion. The Texas Supreme Court, four Texas appellate courts, and the Fifth Circuit Court of Appeals applying Texas law have all settled church identity and property disputes where a faction within a hierarchical church purported to break away from the authority of the hierarchical church. Each court resolved disputes between the rival factions by recognizing, deferring to, and applying the determination of the hierarchical church: "Our state law requires deference to the [hierarchical church's]

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[113] The Episcopal Diocese formed its subsidiary corporation in 1983 as a convenience to manage its property, consistent with Texas law stating: "[t]he board of directors of a religious . . . corporation may be affiliated with, *elected, and controlled by an incorporated or unincorporated convention*, conference, or association organized under the laws of this or another state, the membership of which is composed of representatives, delegates, or messengers from a church or other religious association." TEX. BUS. ORG. CODE § 22.207. The founding Articles of Incorporation of the Diocesan Corporation place it within the religious hierarchy of The Episcopal Church, subordinate to the Episcopal Diocese, by stating *inter alia* that (1) Diocesan property and the real property of individual parishes is to be held by the Diocesan Corporation as property acquired for the use of the Episcopal Diocese of Fort Worth and (2) Diocesan property held by the Corporation must be administered in accordance with the Constitution and Canons of the Episcopal Diocese of Fort Worth. A320 (Ex. G-5, Art. IV, 1983 Articles of Incorporation for the Corporation of the Episcopal Diocese). The Diocese's founding canons likewise mandate that the Bishop of the Diocese, or his chosen designate, "shall" serve as the Chairman of the Corporation's Board of Trustees. A136 (Ex. D-5, Diocesan Canon 11 (1982)). Similarly, the other "directors" and "officers" of the Corporation, such as the other members of the Corporation's Board of Trustees, are required by the Episcopal Church's Canons to "well and faithfully perform the duties of that office in accordance with the Constitution and Canons of this Church and of the Diocese in which the office is being exercised." A157-58 (Church Canon I.17.8). Iker and his breakaway faction's attempts to alter these provisions retroactively are ultra vires and void, as declared by the true Episcopal Diocese in communion with The Episcopal Church. *See* A29 (Ex. B, Gulick Aff. at ¶¶ 8-9); A32.1-32.5 (Ex. B-1, Amended and Restated Articles of Incorporation, filed April 19, 2009 to correct Iker's ultra vires amendments). Iker's attempt to sever the subordinate religious corporation (formed and controlled pursuant to state religious corporation law by the Episcopal Diocese subordinate to The Episcopal Church) from the Episcopal Diocese is just another improper variation on his attempt to violate The Episcopal Church's First Amendment right to control its internal organization and leadership.

identity of appellees, the loyal group, as the representative of the local church; consequently, it follows that appellees are entitled to possession and use of all church property."[114] As the Fifth Circuit held, applying Texas law:

> Having concluded on what we have held to be adequate evidence that the local church was a member of and subservient to the national church, the District Court was correct in enjoining the dissident faction from attempting to exercise acts of possessory control over the local church property and from interfering with the local church property and with the conduct of services therein by the local faction loyal to the national church, and in holding that the deed to the newly created corporation was void.[115]

Defendant Iker himself has endorsed this century of Texas church property law under oath, testifying in the *Holy Apostles* case that, because that earlier breakaway faction had "abandoned communion with The Episcopal Church," it was not the "true Church of the Holy Apostles" but rather "a new creation, having no relation to Holy Apostles and **no right to its property**."[116] As shown, Defendant Iker is judicially estopped from taking a contrary position before this Court. [117] For all these reasons, as a matter of law, Plaintiff the Episcopal Diocese owns the marks.[118]

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[114] *Casa Linda Presbyterian Church*, 710 S.W.2d at 707; *see also Brown*, 116 S.W. at 363 (quoting *Watson*, 80 U.S. at 727) (where two factions claimed local church property when mother church endorsed controversial action, one siding with mother church and the other rejecting mother church's action, Texas Supreme Court held local faction loyal to hierarchical church entitled to possession and use of local church property sued for), *cited with approval in Westbrook v. Penley*, 231 S.W.3d 389, 398 (Tex. 2007); *Green v. Westgate Apostolic Church*, 808 S.W.2d 547, 551 (Tex. App.—Austin 1991, writ denied) ("Appellate courts have consistently followed the deference rule in deciding hierarchical church property disputes . . . . The deference rule imputes to members 'implied consent' to the governing bylaws of their church."); *Templo Ebenezer, Inc. v. Evangelical Assemblies, Inc.*, 752 S.W.2d 197, 199 (Tex.App.—Amarillo 1988, no writ) ("[A]s the parent church, Evangelical Assemblies owns and is entitled to possession of the property under the mutually binding constitution. . . . [A] dissenting group[] has no rights in the church property."); *Presbytery of the Covenant v. First Presbyterian Church of Paris, Inc.*, 552 S.W.2d 865, 871 (Tex. Civ. App.—Texarkana 1977, no writ).

[115] *Church of God in Christ, Inc. v. Cawthon*, 507 F.2d 599, 602 (5th Cir. 1975) (Texas law).

[116] A280 (Ex. G-2, Iker Aff. at 4) (emphasis added).

[117] *See* Section VIII.A.i.(1)(b)(ii), *supra*.

[118] While it is unnecessary to reach it, it is worth noting that the so-called "neutral principles" approach used by some other states to settle church property disputes leads to the same outcome. The United States Supreme Court has held that states may select a deference approach, as Texas uses, or neutral principles approach, as, for instance,

(2) The marks are legally protectable.

Federal courts have long embraced the view that religious associations are entitled to protection under unfair competition laws from other religious associations appropriating their acquired goodwill by using their name without authorization.[119] Because the marks have been registered with the USPTO, it is presumed that the marks are legally protectable. Iker and his attorneys have already represented to this Court that the marks are legally protectable, and the marks are legally distinctive as a matter of law because they are descriptive and have acquired secondary meaning. Thus, the evidence demonstrates that there is no genuine dispute as to material fact regarding the validity of the marks.

Georgia uses (although it is important to note that the "neutral principles" approach applies at most only to some property questions; under the First Amendment, all states must defer to hierarchical churches on the identity question of which faction *is* the local church). *Jones v. Wolf*, 443 U.S. 595, 602 (1979) (internal quotation marks omitted). A neutral principles approach allows the court to resolve church property disputes by analyzing (1) deeds to the disputed property, (2) the governing documents of the local church body, (3) the governing documents and rules of the general church body, and (4) any applicable state statutes, to see if the disputed property is impressed with a trust or similar restriction in the general church's favor. *Id.* at 600. But "if interpretation of the instruments of ownership would require the court's resolution of a religious controversy, the court must defer to ecclesiastical resolution of the doctrinal issue." *Westbrook*, 231 S.W.3d at 399. Here, the "deeds" – that is, the federal registration certificates – assign the marks to the Episcopal Diocese. And determination of who the Episcopal Diocese *is* is strictly ecclesiastical and requires deference to The Episcopal Church's selection of Plaintiff. Thus, neutral principles arrives at the same place (and, of course, neutral principles is not the law of Texas). *Casa Linda Presbyterian Church*, 710 S.W.2d at 705 ("Our intermediate appellate courts have consistently followed the deference rule in deciding hierarchical church property disputes since the [1909] Texas Supreme Court ruling in *Brown v. Clark*") (citing *Brown*, 116 S.W. 360); *accord Green*, 808 S.W.2d at 551 ("Appellate courts have consistently followed the deference rule in deciding hierarchical church property disputes since the Texas Supreme Court adopted the rule in *Brown*") (citing *Brown*, 116 S.W. at 363; *Casa Linda Presbyterian Church*, 710 S.W.2d at 705). And Texas statutes governing nonprofit religious corporations confirm that property held by the Diocesan Corporation is held "in trust for a convention, conference, or association . . . with which it is affiliated or by which it is controlled." TEX. BUS. ORG. CODE § 2.102.

[119] *Nat'l Bd. of Young Women's Christian Ass'n of U.S.A. v. Young Women's Christian Ass'n of Charleston, S.C.*, 335 F. Supp. 615, 621-22 (D.C.S.C. 1971) ("In this connection, a religious, benevolent or fraternal organization is entitled to protect the use of its name against those who secede.") (citing authority); *National Spiritual Assembly of Baha'is of U.S.Under Hereditary Guardianship, Inc. v. Nat'l Spiritual Assembly of Baha'is of United States, Inc.*, No. CIV. A 641878, 1966 WL 7641, at *10-11 (N.D. Ill. June 28, 1966) ("The NSA as a religious association is entitled to the protection of the laws pertaining to unfair competition, trademark infringement, dilution and injury to business reputation to the same extent as a non-religious litigant.").

(a) The marks are presumed valid because they have been registered with the USPTO.

Proof of registration of a service mark with the USPTO constitutes prima facie evidence that the mark is legally valid.[120] Thus, when a plaintiff produces evidence that the mark is registered, there is a presumption that the mark is legally protectable.[121] Plaintiff is entitled as a matter of law to the presumption that (1) it "has the exclusive right to use the registered mark in commerce with respect to the specified goods or services" and (2) the marks are legally protectable under the Lanham Act.[122]

(b) Iker has conceded that the marks are legally protectable.

Iker cannot rebut the presumption that the marks are legally protectable because he has already conceded as much. In the attempted Complaint in Intervention of the purported "corporation," which Iker claims to represent, the Iker-faction admits that the marks are legally protectable.[123] Specifically, Iker concedes and represents before this Court, in his faction's tendered complaint in intervention, that "the Fort Worth Diocese ha[s] common law rights to the two Marks and that use of the Marks . . . by [other] persons [leads] to a likelihood of confusion and constitute[s] trademark infringement."[124] In addition, Iker's counsel sent a demand letter attempting to assert rights under the marks, again representing and conceding their validity.[125] There is no genuine dispute between the parties over the marks' protectability, where each side has already sought to protect the marks from use by the other.

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[120] 15 U.S.C. § 1115(a); *Amazing Spaces*, 608 F.3d at 237.

[121] *Amazing Spaces*, 608 F.3d at 237; *Vision Center v. Opticks, Inc.*, 596 F.2d 111, 119 (5th Cir. 1979).

[122] *Amazing Spaces*, 608 F.3d at 237.

[123] Iker-faction's 10/18/10 Complaint in Intervention at ¶¶ 9, 15.

[124] *Id.*

[125] A347-48 (Ex. L-1, Letter from Geoffrey Mantooth).

(c) In addition, the marks are legally protectable because they are distinctive.

"To be [legally] protectable, a mark must be distinctive."[126] A mark that is characterized as "descriptive" is distinctive if it has acquired "secondary meaning."[127] A "descriptive term is one that identifies a characteristic or quality of the article or service."[128] "Geographical terms such as 'Texas,' 'Midwest,' 'Madison Avenue,' or 'Philadelphia' are also considered descriptive terms when they describe where the products or services are offered or manufactured."[129] Accordingly, in the Fifth Circuit, a name that combines even a generic term, such as "bank," with a geographical term, such as "Texas," (yielding "Bank of Texas") constitutes a descriptive mark,[130] because it is "descriptive of the type of services offered and the place from which such services originate."[131] The "Episcopal Diocese of Fort Worth" similarly combines a description of the type of services offered (religious, Episcopal, diocesan) and the place from which the services originate (Fort Worth), yielding the mark descriptive. Indeed, courts in multiple jurisdictions have held that names of churches and denominations are properly classified as descriptive.[132] Thus, the marks are protectable if they have secondary meaning.

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[126] *Amazing Spaces*, 608 F.3d at 237 (quoting *Am. Rice, Inc. v. Producers Rice Mill, Inc.*, 518 F.3d 321, 329 (5th Cir. 2008)).

[127] *Amazing Spaces*, 608 F.3d at 237 (quoting *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 210-11 (2000); *accord* RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 13, at 104-05 (1995) ("A word, name, symbol, device, or other designation is 'distinctive' if: (a) the designation is 'inherently distinctive,' or (b) the designation, although not 'inherently distinctive,' has acquired distinctiveness, commonly referred to as 'secondary meaning.'") (internal citations, alterations, and quotation marks omitted).

[128] *Union Nat. Bank of Texas, Laredo, Tex. v. Union Nat. Bank of Texas, Austin, Tex.*, 909 F.2d 839, 845 (5th Cir. 1990) (internal quotation and citation omitted).

[129] *Id.*

[130] *Id.*; *Bank of Tex. v. Commerce Sw., Inc.*, 741 F.2d 785, 787 (5th Cir. 1984).

[131] *Bank of Tex.*, 741 F.2d at 787.

[132] *See, e.g., Gen. Conference Corp. of Seventh-Day Adventists v. McGill*, 617 F.3d 402, 415 (6th Cir. 2010) (holding that the name of a church group is properly categorized as descriptive, rather than generic, because there is "scant evidence that the public perceives the term as referring to a particular set of beliefs rather than to the plaintiffs' church"); *Te-Ta-Ma Truth Found.—Family of Uri, Inc. v. World Church of the Creator*, 297 F.3d 662,

Secondary meaning "occurs when, in the minds of the public, the primary significance of a mark is to identify the source of the product rather than the product itself."[133] Courts consider seven factors: "(1) length and manner of use of the mark or trade dress, (2) volume of sales, (3) amount and manner of advertising, (4) nature of use of the mark or trade dress in newspapers or magazines, (5) consumer-survey evidence, (6) direct consumer testimony, and (7) the defendant's intent in copying the trade dress."[134] Courts evaluate the weight of all the factors taken together rather than examining each factor individually.[135] No one factor is necessary or dispositive; the Fifth Circuit recently affirmed summary judgment finding secondary meaning where the district court was persuaded by the record without reference to consumer-survey evidence or direct consumer testimony.[136]

Here, the overwhelming weight of these factors demonstrates secondary meaning. The Episcopal Diocese has consistently used its marks for nearly thirty years.[137] Plaintiff the Episcopal Diocese enjoyed the entire "volume of sales" under the marks – in this matter measured by church membership – for twenty-five of those twenty-seven years: all but the last two after Iker left the Episcopal Diocese and began using its marks in competing fashion for another church.[138] The Episcopal Diocese has used these marks in religious services, nationally-

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666 (7th Cir. 2002) ("A mark is 'generic' when it has become the name of a product . . . or class of products . . . [b]ut 'Church of the Creator' is descriptive.").

[133] *Smack Apparel*, 550 F.3d at 477 (quoting *Wal-Mart Stores*, 529 U.S. at 211) (internal quotes and modifications omitted).

[134] *Id.* at 476.

[135] *Id.*

[136] *Id.* at 477 (the Fifth Circuit Court of Appeals affirmed the summary judgment without taking a position on this point).

[137] A347-48 (Ex. L-1, Letter from Geoffrey Mantooth); *see also* A336-42 (Exs. J-1, J-2, J-3, Documents showing the Episcopal Diocese's use of the marks since 1983).

[138] A202 (Ex. F, Wells Aff. at ¶ 11).

published church annuals, locally-published journals, on the internet, and in newsletters.[139] And Iker's obvious intent in using the marks is to benefit from their association with the historic continuing Episcopal Diocese in the minds of consumers. Iker does not contest this, as he believes he *is* the historic continuing Diocese, with a right to its goodwill. Iker's own demand letter, through counsel, presses the force of this secondary meaning: "As you are no doubt aware, the Diocese was founded in the early 1980's. For many years, the Diocese has used 'The Episcopal Diocese of Fort Worth' as a trademark for religious services and publications. The Diocese has also used its seal mark for religious services and publications."[140]

The Fifth Circuit recently affirmed summary judgment finding secondary meaning in a case much less clear-cut than the present matter. In *Smack Apparel*, an infringing apparel company used the "color schemes along with other indicia" of several universities without their permission.[141] Notably, in that case, the infringer did not even use, as here, the exact *name* of the infringed universities, but instead simply combined each school's two-color scheme with hints of the school's identity, such as its "opponent in [a] referenced athletic event."[142] The Fifth Circuit was persuaded by evidence of the universities' long-standing use of the marks on, for example, brochures and alumni materials,[143] just as the Episcopal Diocese here has long used the marks in national and local publications and for public religious services. The district court was particularly persuaded by evidence that the infringer *intended* to use the marks to "refer to the

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[139] A347-48 (Ex. L-1, Letter from Geoffrey Mantooth); A336-42 (Exs. J-1, J-2, J-3, Documents showing the Episcopal Diocese's use of the marks since 1983).

[140] A347-48 (Ex. L-1, Letter from Geoffrey Mantooth).

[141] *Smack Apparel*, 550 F.3d at 476-78.

[142] *Id.* at 473 (the closest the infringers apparently came to using the infringee's actual name was one shirt that used the word "Bourbon" but highlighted the "ou" in "a different type style" to hint at Oklahoma University).

[143] *Id.* at 476-77.

Universities and call them to the mind of the consumer,"[144] just as here, it is uncontested that Iker *intends* to use the marks to call to mind the historic Episcopal Diocese, which he wrongly believes he represents. The case here is even more compelling, as Iker is using the exact name, and not just colors or other hints, to call to mind a specific source through secondary meaning. As Iker and his counsel concede, the marks are legally protectable.

(3) Iker's threatened "fraud" claim has no legal basis.

Defendant Iker has threatened to dispute the Episcopal Diocese's valid ownership and registration of the marks by asserting, without any foundation, that Plaintiff the Episcopal Diocese fraudulently registered the marks. Defendant has not alleged fraudulent registration as an affirmative defense, but rather threatened it as a counterclaim in his faction's attempted complaint-in-intervention.[145] Plaintiff addresses this position preemptively here. Because Plaintiff the Episcopal Diocese had at the time of registration and still has a valid ownership interest in the marks, as discussed above,[146] and because the Episcopal Diocese is the senior user of the marks, having used them since the Diocese's formation in 1983, there is no basis for any claim of fraudulent registration. Iker can point to no false statement, much less a material one, made by Plaintiff the Episcopal Diocese or its attorneys, and there is clear evidence that the Episcopal Diocese authorized its attorneys to register the marks.

"To succeed on a claim of fraudulent registration, the challenging party must prove by clear and convincing evidence that the applicant made false statements with the intent to deceive the licensing authorities."[147] Thus, a successful fraudulent registration defense requires proof of "(1) a deliberate attempt by a trademark registrant to mislead the USPTO that is more than mere

[144] *Smack Apparel*, 550 F.3d at 477.

[145] Complaint in Intervention at ¶¶ 41-45.

[146] *See* Sections VIII.A.i.(1) and (2), *supra*.

[147] *Meineke Discount Muffler v. Jaynes*, 999 F.2d 120, 126 (5th Cir. 1993).

error or inadvertence, and (2) that knowing misstatements were made with respect to a material fact, one that would have affected the USPTO's action on the application."[148] Iker bears the burden of proof on this defense and must produce clear and convincing evidence of both elements of the defense.[149] **For a fraudulent registration defense, "it is not sufficient to prove that plaintiffs failed to disclose that others were using the mark if plaintiffs did not believe that such third-parties had that right."**[150]

The evidence belies Iker's putative fraud defense because Plaintiff the Episcopal Diocese owned the marks at the time of registration and continues to own the marks today, and neither Iker nor the group he purports to lead has any right to use the marks. Counsel for the Episcopal Diocese, when he submitted the applications for registration of the marks, declared that "he[ ] [was] properly authorized to execute this application on behalf of [the Episcopal Diocese]" and that "to the best of his[ ] knowledge and belief no other person, firm, corporation, or association has the right to use the mark in commerce."[151] Neither of these statements was false, and neither was made with the intent to deceive the licensing authorities.

Instead, the evidence set forth throughout this Brief demonstrates that there is no genuine dispute as to material fact concerning Plaintiff's valid ownership and proper registration of the marks.[152] Plaintiff registered the marks based on its rightful understanding that it was entitled to use the marks as the owner and user of the marks since 1983.[153] "A senior user of a mark is entitled to claim exclusive rights and seek a federal registration even though there may exist and

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[148] *DS Waters of Am., Inc. v. Princess Abita Water, L.L.C.*, 539 F. Supp. 2d 853, 860 (E.D. La. 2008) (citing *Orient Express Trading Co. v. Federated Dep't Stores*, 842 F.2d 650, 653 (2d Cir. 1988)).

[149] *Id; see also Meineke*, 999 F.2d at 126.

[150] *King-Size, Inc. v. Frank's King Size Clothes, Inc.*, 547 F. Supp. 1138, 1166 (S.D. Tex. 1982) (citing authority).

[151] *See* Complaint in Intervention at ¶ 20.

[152] *See* Section VIII.A.i.(1), *supra.*

[153] A334 (Ex. J, McClain Aff. at ¶ 2); A202 (Ex. F, Wells Aff. at ¶ 11).

it knows of a junior user of the mark."[154] Here, the Plaintiff the Episcopal Diocese registered the marks as the senior user. Since 1983, the Episcopal Diocese has continuously provided, advertised, and marketed its religious services and works under its name and seal.[155] Iker split from the Episcopal Diocese in November 2008,[156] after which he continued to use the marks belonging to Plaintiff the Episcopal Diocese.[157] Thus, Iker's use of the marks, which is not authorized by Plaintiff the Episcopal Diocese,[158] did not begin until twenty-five years after the Episcopal Diocese began using the marks. Accordingly, Plaintiff was not required to disclose to the USPTO Iker's unlawful use of the marks.

The evidence also demonstrates that Plaintiff the Episcopal Diocese authorized its counsel to file the applications for registration. The Rt. Rev. Edwin F. Gulick, Jr., acting on behalf of the Episcopal Diocese as its Provisional Bishop and the Board of Trustees of the Diocesan Corporation, authorized counsel to represent Plaintiff in securing federal service mark registrations from the USPTO.[159] These actions were supported by a good faith application of 100 years of bedrock First Amendment law allowing The Episcopal Church's Diocese of Fort Worth to protect its rights.

The related proceedings in Texas state court regarding Rule 12 of the Texas Rules of Civil Procedure do not call into question counsel's authority to represent Plaintiff the Episcopal

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[154] *Pebble Beach Co. v. Tour 18 I Ltd.*, 942 F. Supp. 1513, 1538 (S.D. Tex. 1996), *aff'd as modified*, 155 F.3d 526 (5th Cir. 1998), *abrogated on other grounds by TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, (2001).

[155] A334 (Ex. J, McClain Aff. at ¶ 2); A336-42 (Exs. J-1, J-2, and J-3, Documents showing use of Name and Seal).

[156] A199-201 (Ex. F, Wells Aff. at ¶¶ 4-6).

[157] Iker's Answer at ¶ 44 (admitting that "Defendant Bishop has used these marks"); A8 (Ex. A, Ohl Aff. at ¶ 6); A31 (Ex. B, Gulick Aff. at ¶ 16); A203 (Ex. F, Wells Aff. at ¶ 13); A217-28 (Ex. F-7, Examples of Iker's unauthorized use of the Marks).

[158] Iker's Answer at ¶ 14 (admitting that "Plaintiff does not provide, sponsor, authorize, or control the content of the religious services and works of Defendant"); A344 (Ex. K, Second Gulick Aff. at ¶ 4).

[159] A343-44 (Ex. K, Second Gulick Aff. at ¶ 3).

Diocese in securing registrations of the marks. Despite Iker's oft-repeated arguments to the contrary, no Texas state court has ruled that Plaintiff is not the Episcopal Diocese. The Fort Worth Court of Appeals held only that, under a preliminary procedural motion, until the trial court reaches on the merits the question of which faction is entitled to control the Episcopal Diocese and its Corporation, attorneys Jonathan Nelson and Kathleen Wells had established authority only to act on behalf of their clients' faction and not on behalf of the Episcopal Diocese or its Corporation as a whole.[160] The state court expressly limited its ruling to the underlying state proceeding and noted that "**[t]he trial court did not determine on the merits which Bishop and which Trustees are the authorized persons within the Corporation and the Fort Worth Diocese, nor do we.**"[161] Outside of the limited context of this non-final, non-substantive, procedural holding in a case (that was made specifically subject to future resolution of the merits in that case), Plaintiff the Episcopal Diocese had every right to act based on 100 years of bedrock First Amendment law in other areas. And, as shown in Plaintiff's response and sur-reply to the flawed Motions to Intervene, this state court's non-final determination has no preclusive effect that would affect a federal service mark registration. As a result, there is nothing to suggest that Plaintiff the Episcopal Diocese's counsel was unauthorized or that the registration of the marks was "fraudulent" in any way.

ii. Element Two: As a matter of law, Defendant Iker's unauthorized use of identical marks is likely, if not certain, to cause confusion.

"Once a plaintiff shows ownership in a protectable trademark, he must next show that the defendant's use of the mark creates a likelihood of confusion in the minds of potential customers

[160] *In re Salazar*, 315 S.W.3d 279, 286 (Tex. App.—Fort Worth 2010, orig. proceeding).

[161] *Id.* (emphasis added).

as to the source, affiliation, or sponsorship of the product at issue."[162] As a matter of law, "likelihood of confusion is inevitable, when, as in this case, the **identical mark** is used concurrently by unrelated entities."[163] The Fifth Circuit has adopted this reasoning by holding that courts can find a likelihood of confusion as a matter of law without considering and weighing all of the eight "digits of confusion" in situations where an infringer uses "**the exact same mark**" as the other party.[164] Thus, while likelihood of confusion is in many instances a question of fact,[165] courts in the Fifth Circuit regularly decide the question as a matter of law on summary judgment[166] or when issuing injunctions.[167] Judgment as a matter of law is highly appropriate here, where two parties are claiming to be the exact same entity, admit they are using the exact same marks, and have each already conceded a likelihood of confusion.

(1) As a matter of law, confusion is inevitable because Defendant Iker is using Plaintiff's identical marks to raise funds and advertise for a competing church.

It is undisputed that both Defendant Iker and Plaintiff the Episcopal Diocese are using "the exact same mark[s]" for the same purposes in the same geographical area. Thus, there is no need for this Court to "consider and weigh all of the digits of confusion"[168] because as a matter of law "the likelihood of confusion is inevitable."[169] Defendant Iker and his faction have

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[162] *Smack Apparel*, 550 F.3d at 478 (internal citations and quotations omitted).

[163] *Opticians Ass'n v. Indep. Opticians*, 920 F. 2d 187, 195 (3d Cir. 1990) (emphasis added).

[164] *Paulsson Geophysical Servs., Inc. v. Sigmar*, 529 F.3d 303, 311 (5th Cir. 2008) (emphasis added).

[165] *Sun Banks of Florida, Inc. v. Sun Fed. Sav. & Loan Ass'n*, 651 F.2d 311, 314 (5th Cir. 1981) (likelihood of confusion is a fact finding subject to appellate review under the "clearly erroneous" standard.)

[166] *See., e.g., Smack Apparel*, 550 F.3d at 471, 478-85 (affirming summary judgment and concluding that competing products were "likely to cause confusion as to their source, sponsorship, or affiliation"); *Am. Century Proprietary Holdings, Inc. v. Am. Century Cas. Co.*, 295 F. App'x 630, 630 (5th Cir. 2008); *Texas Tech Univ. v. Spiegelberg*, 461 F.Supp.2d 510, 523 (N.D.Tex. 2006); *Taylor Made Golf Co. v. MJT Consulting Group, LLC*, 265 F. Supp.2d 732, 742-44 (N.D.Tex. 2003).

[167] *See Paulsson*, 529 F.3d at 311.

[168] *Id.*

[169] *Opticians*, 920 F. 2d at 195.

indisputably been using the Plaintiff's identical marks to advertise their competing religious services.[170] In fact, as is evident on the face of Iker's pleadings, he believes his faction *is* the Episcopal Diocese of Fort Worth. Iker has made affirmative representations on his website and in publications sent through the mail that his services are provided by the "Episcopal Diocese of Forth Worth."[171] Iker has created a website headlined with Plaintiff the Episcopal Diocese's name and seal in which he claims to possess the authority to offer religious services on behalf of the Episcopal Diocese.[172] Iker has represented in various newsletters, advertisements, and correspondence, and on his website, that he represents the "Episcopal Diocese of Forth Worth" and has employed the Plaintiff's mark and seal to identify his services.[173] Accordingly, the court should find that the Defendant's actions have created a likelihood of confusion as a matter of law, without having to consider and balance all eight of the non-exclusive, non-dispositive digits of confusion, because Defendant is using marks identical to Plaintiff's.

(2) Iker admits that use of the marks by two entities claiming to be the Episcopal Diocese of Fort Worth is confusing.

Defendant Iker and his breakaway faction have twice admitted that the use of the Plaintiff's service marks by another entity to identify that entity's religious services amounts to infringement that is likely to cause confusion. First, Iker and his faction engaged Geoffrey Mantooth, one of Iker's attorneys in this case, to draft a letter to a representative of Plaintiff demanding that Plaintiff stop using the marks.[174] The letter claimed that the breakaway faction owned the mark "The Episcopal Diocese of Fort Worth," as well as the Diocese's seal, and stated

[170] A217-28 (Ex. F-7, Examples of unauthorized uses); Iker's Answer at ¶ 44 (admitting that "Defendant Bishop has used these marks"); A351-63 (Ex. L-2, Pages from Iker's Website).

[171] A217-28 (Ex. F-7, Examples of Iker's unauthorized use of the Marks); A351-63(Ex. L-2, Pages from Iker's Website).

[172] A351-63 (Ex. L-2, Pages from Iker's Website at http://www.fwepiscopal.org/index1.php).

[173] *Id.*; A217-28 (Ex. F-7, Examples of Iker's unauthorized use of the Marks).

[174] A347-48 (Ex. L-1, Letter from Geoffrey Mantooth).

that "it had come to [the breakaway faction's] attention that the [Plaintiff's representative] was using both marks."[175] The letter then provided examples of the Plaintiff's uses: a website headlined with the Diocese's mark and seal, a claim on the website that the Plaintiff's Representative represented the Diocese, and the Plaintiff's use of the marks in advertisements and elsewhere.[176] The letter then stated that the Plaintiff's actions "lead to a likelihood of confusion and constitute trademark infringement. . . . [and that] [s]uch actions also constitute a misrepresentation, as the [Plaintiff's Representative] does not represent the Diocese."[177]

Second, Iker and his breakaway faction repeated this admission in their complaint in intervention purportedly filed on behalf of the "Corporation of the Episcopal Diocese of Fort Worth."[178] The complaint reasserts the positions in Mantooth's letter asserting that "use of the marks and the domain name by [the Plaintiff] led to a likelihood of confusion and constituted trademark infringement. . . . [and also] that the web site statement of these persons claiming to represent the Forth Worth Diocese was a misrepresentation."[179] Thus, Iker and his counsel concede, and represent to this Court, that dual use of the marks by competing religious service providers in the same locale creates a likelihood of confusion.

(3) Even if the Court decides to consider and weigh the eight "digits" of confusion, the analysis heavily favors Plaintiff and compels a finding of likelihood of confusion.

It is unnecessary to proceed further, since, as a matter of law, confusion is inevitable where the parties are using identical marks and claiming *to be* the exact same entity. But, if the Court were to consider the Fifth Circuit's "nonexhaustive" list of "digits of confusion" for

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[175] *Id.*

[176] *Id.*

[177] *Id.*

[178] Iker-faction's 10/18/10 Complaint in Intervention at ¶ 5.

[179] *Id.*

assessing likelihood of confusion, summary judgment is again warranted under undisputed facts, just as the Fifth Circuit rendered summary judgment on these "digits of confusion" in the *Smack Apparel* case.[180] The digits of confusion to consider include:

> (1) the type of mark allegedly infringed, (2) the similarity between the two marks, (3) the similarity of the products or services, (4) the identity of the retail outlets and purchasers, (5) the identity of the advertising media used, (6) the defendant's intent, and (7) any evidence of actual confusion. Courts also consider (8) the degree of care exercised by potential purchasers.[181]

In applying these digits, the Fifth Circuit has held that "no one factor is dispositive, and a finding of a likelihood of confusion does not even require a positive finding on a majority of these digits of confusion."[182] Further, courts are "free to consider other relevant factors in determining whether a likelihood of confusion exists."[183]

Here, the balance of the digits of confusion clearly favors finding a likelihood of confusion. The first digit, the type of the mark, refers to the strength of the mark.[184] "Generally, the stronger the mark, the greater the likelihood that consumers will be confused by competing uses of the mark."[185] Plaintiff's marks are descriptive marks that have been used by the Diocese to acquire goodwill for almost 30 years and have achieved strong secondary meaning within the relevant community.[186] To allow the Defendant to use Plaintiff's marks allows them to appropriate the goodwill associated with the Diocese. Thus, this digit favors Plaintiff the Episcopal Diocese.

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[180] *Smack Apparel*, 550 F.3d at 478-85; *see also Am. Century*, 295 F. App'x at 639; *Texas Tech*, 461 F. Supp. 2d at 523; *Taylor Made*, 265 F. Supp. 2d at 742-44.

[181] *Smack Apparel*, 550 F.3d at 478.

[182] *Elvis Presley Enters. v. Capece*, 141 F.3d 188, 194 (5th Cir. 1998).

[183] *Id.*

[184] *Smack Apparel*, 550 F.3d at 478-79.

[185] *Id.* at 479.

[186] *See* Sections V.B.8 and VIII.A.i.(2)(c), *supra.*

The second digit is the similarity of the marks.[187] Here, as discussed above, Iker is using the *identical* marks that are used by the Plaintiff to identify its religious services. In fact, Iker is claiming to *be* Plaintiff. Accordingly, this digit heavily favors Plaintiff. The third digit is the similarity of the services offered by the two parties.[188] This digit also clearly favors the Plaintiff. Both parties offer religious services.[189] Further, Iker and his faction have been offering their religious services in the name of and on the property of parishes and missions that are subordinate parts of Plaintiff.[190]

The fourth digit is the identity of retail outlets and purchasers.[191] Iker has attempted to provide his services at the same churches on the same properties ("retail outlets") that are subordinate parts of Plaintiff. Defendant is pursuing the same congregants ("purchasers") as Plaintiff: the parishioners of the 55 churches affiliated with the Episcopal Diocese as well as members of the public who are seeking a spiritual home. The fifth digit of confusion is the identity of advertising media.[192] Both Plaintiff the Episcopal Diocese and Iker and his group send newsletters and advertise in the media in the same geographical market in Northwest Texas.[193] Both have websites explaining the services they offer and inviting public participation; both websites appear at the top of the list when an internet search for "episcopal diocese of fort

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[187] *Smack Apparel*, 550 F.3d at 478.

[188] *Id.*

[189] A133 (Ex. D-5, Diocesan Art. 1, stating accession to Constitution and Canons of The Episcopal Church); A152 (Ex. D-11, Church Constitution Preamble, stating purpose of "propagating the historic Faith and Order as set forth in the Book of Common Prayer"); A351 (Ex. L-2, Page from Iker's Website, stating purpose of "propagating the Historic Faith and Order as set forth in the Old and New Testament and expressed in the Book of Common Prayer").

[190] A351-63 (Ex. L-2, Pages from Iker's Website).

[191] *Smack Apparel*, 550 F.3d at 478.

[192] *Id.*

[193] A217-28 (Ex. F-7, Examples of Iker's Unauthorized Use).

worth" or "episcopal fort worth" is performed.[194]

Sixth, the Fifth Circuit considers the defendant's intent.[195] "Although not necessary to a finding of likelihood of confusion, a defendant's intent to confuse may alone be sufficient to justify an inference that there is a likelihood of confusion."[196] Intent to confuse includes the intentional use of marks to create an association with the plaintiff that would influence congregants.[197] In other words, the relevant question is whether the defendant intended to derive benefit from the reputation of the plaintiff or made "efforts . . . to 'pass off' its product as that of another."[198] If Iker did not have an intent to "pass off" and appropriate the goodwill and assets of Plaintiff the Episcopal Diocese, he could simply assume a new name for his church, rather than taking the odd position of severing ties with The Episcopal Church but demanding to call his new entity the "Episcopal Diocese."[199]

The seventh digit of confusion is actual confusion.[200] Evidence of actual confusion has been called "the best evidence of a likelihood of confusion."[201] Plaintiff has introduced evidence of actual confusion in the form of an email from confused congregants[202] and an affidavit of a staff member of Plaintiff regarding confusion expressed by a caller to the Diocesan office.[203] This evidence reflects the inevitable confusion of only a few of the many prospective and current congregants who must distinguish between Plaintiff and Defendant Iker and his faction. Eighth,

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[194] A351-63 (Ex. L-2, Pages from Iker's Website); A364-66 (Ex. L-3, Online Search Results).

[195] *Smack Apparel*, 550 F.3d at 478.

[196] *Id.* at 481.

[197] *Id.* at 482.

[198] *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 263 (5th Cir. 1980).

[199] *Smack Apparel*, 550 F.3d at 481.

[200] *Id.* at 478.

[201] *Elvis Presley*, 141 F.3d at 203-04 (citing *Amstar Corp.*, 615 F.2d at 263).

[202] A370 (Ex. M-1, Email from Congregant).

[203] A368 (Ex. M, Normand Aff. at ¶¶ 6-7).

the Fifth Circuit considers the degree of care exercised by potential purchasers.[204] No matter how careful prospective congregants may be, Iker's use of the identical marks to market and provide similar services in the same geographical area, utilizing Plaintiff's own churches and other property, is inherently confusing.

Although careful consideration of the eight digits of confusion is unnecessary because Iker is using the identical marks owned by Plaintiff the Episcopal Diocese, when considered in light of the summary judgment evidence, these factors weigh heavily in favor of Plaintiff. Likelihood of confusion is established as a matter of law.[205]

B. As a matter of law, Plaintiff the Episcopal Diocese is entitled to a permanent injunction restraining Defendant Iker from continuing to use the marks.

According to well-established principles of equity, a plaintiff seeking a permanent injunction must prove the following:

> (1) that it has suffered an irreparable injury; (2) that remedies available at law, such as monetary damages, are inadequate to compensate for that injury; (3) that, considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and (4) that the public interest would not be disserved by a permanent injunction.[206]

Because there is no genuine dispute as to material fact for any of these elements, Plaintiff is entitled to injunctive relief.

i. Element One: The Episcopal Diocese has suffered irreparable injury.

As a matter of law, Iker's misuse of the marks has caused Plaintiff irreparable injury. As a threshold matter, a plaintiff seeking an injunction in a trademark case must first "prove that the

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[204] *Smack Apparel*, 550 F.3d at 478.

[205] *Id.* at 478-85; *see also Am. Century*, 2008 WL 4472882, at *8; *Texas Tech*, 461 F. Supp. 2d at 523; *Taylor Made*, 265 F. Supp. 2d at 742-44.

[206] *Mary Kay, Inc. v. Weber*, 661 F. Supp. 2d 632, 640 (N.D. Tex. 2009) (Fish, J.) (trademark case involving permanent injunction) (citing *eBay Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 391 (2006)).

name he seeks to protect is eligible for protection. He must then prove he is the senior user. . . . [H]e must then show a likelihood of confusion between his mark and that of the defendant."[207] Plaintiff incorporates its arguments, *supra*, on these elements. A party seeking injunctive relief must then show irreparable harm.[208] In the context of trademark claims, the Fifth Circuit has held that harm is irreparable where the plaintiff lacks control over the defendant's use of a trademark, and the defendant's wrongful use represents a substantial threat to the plaintiff's goodwill.[209] Judges in this District have held that "a likelihood of confusion 'can constitute irreparable harm . . . [because] one trademark user cannot control the quality of the unauthorized user's goods and services.'"[210] Here, Iker's use is not subject to Plaintiff's control.[211] Iker's misappropriation of the marks constitutes a substantial threat to the goodwill the Episcopal Diocese has created in continuously using the marks since 1983. Iker is offering services in Plaintiff's name for a church that is not part of The Episcopal Church, diverting Plaintiff's decades of goodwill and modifying it in ways Plaintiff cannot control. Iker left The Episcopal Church over a theological dispute *and is therefore now providing competing services involving a different theological perspective from that of Plaintiff, in Plaintiff's name and under Plaintiff's own marks*. This blurring of doctrine and alteration of "brand" or goodwill cannot be quantified or wholly redressed through damages.[212] Accordingly, Plaintiff is entitled to injunctive relief because Iker's wrongful use of the marks causes irreparable injury.

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[207] *Union Nat'l Bank*, 909 F.2d at 844.

[208] *Id.*

[209] *Paulsson*, 529 F.3d at 313.

[210] *Mary Kay*, 661 F. Supp. 2d at 640 (Fish, J.) (quoting *Hawkins Pro-Cuts, Inc. v. DJT Hair, Inc.*, No. CA 3-96-CV-1728-R, 1997 WL 446458, at *7 (N.D. Tex. July 25, 1997) (Buchmeyer, C.J.)).

[211] Iker's Answer at ¶ 14 (admitting that "Plaintiff does not provide, sponsor, authorize, or control the content of the religious services and works of Defendant").

[212] *Paulsson*, 529 F.3d at 313.

ii. Element Two: The remedies available at law are inadequate to compensate Plaintiff the Episcopal Diocese.

Plaintiff is also entitled to injunctive relief because monetary damages are insufficient to compensate the Diocese for its irreparable injury. Another judge in this District found that remedies at law were inadequate in a trademark case where "the defendants were operating their business in a way that suggested they were [the plaintiff]. Without the ability to control the way in which the defendants sell their products in the future, [the plaintiff] is powerless to control its company image."[213] As in that case, the defendant here is operating his business in a way that suggests it is Plaintiff the Episcopal Diocese of Fort Worth. Because the true Episcopal Diocese, Plaintiff, exerts no control over the way in which Iker operates his breakaway faction,[214] monetary damages would be insufficient to compensate Plaintiff for this irreparable injury.

iii. Element Three: The balance of hardships between Plaintiff the Episcopal Diocese and Iker compels injunctive relief.

Where the evidence shows that the plaintiff "will suffer irreparable harm if an injunction is not entered," the balance of hardships favors an injunction if "a permanent injunction will only require the defendants to bring their business into line with the requirements of the law."[215] While Plaintiff will suffer irreparable harm without an injunction, enjoining Iker will merely require him to comply with the law by restraining his unauthorized use of the marks. As such, the balance of the hardships favors a permanent injunction.

iv. Element Four: An injunction will not disserve the public interest.

The Supreme Court has held that the Lanham Act exists not only to protect the goodwill of a trademark holder, but also "to protect the ability of consumers to distinguish among

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[213] *Mary Kay*, 661 F. Supp. 2d at 640.

[214] Iker's Answer at ¶ 14 (admitting that "Plaintiff does not provide, sponsor, authorize, or control the content of the religious services and works of Defendant").

[215] *Mary Kay*, 661 F. Supp. 2d at 640.

competing producers."[216] As a result, "it is in the interest of the public that there be no confusion" caused by the misappropriation of trademarks.[217] Religious services are of an intensely personal and important nature, and the public interest is well-served by preventing unlawful confusion over whether an Episcopal Diocese is in fact providing Episcopal Church services. The public is disserved by confusion, "passing off," and misattribution in religious matters. An injunction will serve the public interest.

IX. CONCLUSION AND PRAYER

For the foregoing reasons, Plaintiff the Episcopal Diocese of Forth Worth respectfully requests that this Court grant it partial summary judgment on its request for (1) judgment that Defendant Iker is liable for service mark infringement concerning the service marks "The Episcopal Diocese of Fort Worth" and its seal and USPTO Registration No. 3,820,400 ("The Episcopal Diocese of Fort Worth")[218] and USPTO Registration No. 3,826,996 (seal of The Episcopal Diocese of Fort Worth);[219] and (2) a permanent injunction enjoining Defendant Iker from using these service marks. Plaintiff the Episcopal Diocese of Fort Worth also requests any other relief to which it may be justly entitled.

X. REQUEST FOR ORAL ARGUMENT

Plaintiff the Episcopal Diocese of Forth Worth respectfully requests that a hearing be set for the presentation of oral argument.

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[216] *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 198 (1985).

[217] *Mary Kay*, 661 F. Supp. 2d at 640.

[218] A213-14 (Ex. F-6, Certificate of Registration of Name).

[219] A215-16 (Ex. F-6, Certificate of Registration of Seal).

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Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on December 13, 2010, I electronically filed Plaintiff The Episcopal Diocese of Fort Worth's Brief in Support of Motion for Partial Summary Judgment with the clerk of the court for the United States District Court, Northern District of Texas, using the electronic case filing system of the court. The electronic case filing system sent a "Notice of Electronic Filing" to those attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means.

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