

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA**

BUC-EE'S, LTD.

Plaintiff,

v.

**BUCK'S, INC., d/b/a BUCKY'S, and
STEVEN BUCHANAN,**

Defendants.

CIVIL ACTION No. 8:17-CV-00287

Jury Trial Demanded

**BUC-EE'S OPPOSITION TO DEFENDANTS'
MOTION FOR SUMMARY JUDGMENT**

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	BUC-EE’S STATEMENT OF MATERIAL FACTS	4
	A. Buc-ee’s has extensively used and vigorously promoted its famous “Buc-ee’s” marks, turning Buc-ee’s into a Texas success story	4
	B. Buc-ee’s files suit in Texas to stop the infringement and dilution of the Famous Buc-ee’s Marks	5
	C. Prior Proceedings and Agreement	8
	D. Buck’s fraud and shifting alleged dates of use	12
	E. Defendants’ discovery obstruction has prevented Buc-ee’s from investigating its claims and defending itself from the motion for summary judgment	14
III.	RULE 56(D) REQUEST FOR DISCOVERY	18
	A. The Court has broad authority under Rule 56(d)	19
	B. Defendants have delayed and prevented discovery	20
	C. Only limited discovery has been conducted	21
	D. Buc-ee’s needs evidence of confusion to respond to Defendants’ assertion that they did not breach the Agreement	22
	E. Buc-ee’s needs discovery relating to the understanding and intent of the Parties as to the Agreement to respond to Defendants’ assertions that the Agreement permits Buck’s actions or provides an unconditional covenant not to sue	25
	F. Buc-ee’s needs evidence related to the “Bucky’s” first-use date to respond to Defendants’ assertion that summary judgment is proper on Buc-ee’s fraud-related claims	26
IV.	STANDARD OF REVIEW: DEFENDANTS BEAR THE BURDEN TO SHOW THERE ARE NO GENUINE DISPUTES AS TO ANY MATERIAL FACTS	29
V.	ARGUMENT	30
	A. Because the Agreement can reasonably be interpreted as forbidding Defendants’ Texas activities, summary judgment on Buc-ee’s Claims I-VIII is improper	30
	1. A contract that is susceptible to more than one reasonable interpretation creates a factual issue of intent for the jury that cannot be resolved on summary judgment.....	31
	2. The Agreement can reasonably be interpreted as forbidding Buck’s expansion into geographic areas because Buck’s failed to take steps to avoid causing confusion	32
	3. The Agreement’s alleged “covenant not to sue” can be reasonably interpreted to apply only to use that is “permitted” under the agreement and which does not include Defendants’ use in Texas.....	34

B.	Defendants fail to show that Buc-ee’s trademark claims are barred by equitable estoppel	35
C.	Res judicata does not bar Buc-ee’s trademark claims	37
	1. Buck’s Rule 41 dismissal does not bar Buc-ee’s claims under res judicata.....	37
	2. The Agreement is not entitled to res judicata effect	38
D.	Issue preclusion does not bar Buc-ee’s trademark claims	40
	1. Issue preclusion cannot apply because there is no consent judgment.....	41
	2. Issue preclusion cannot apply because the evidence shows that the Parties contemplated future litigation.....	43
E.	Several genuine disputes of material fact preclude summary judgment of no fraudulent inducement, no fraudulent misrepresentation, and no negligent misrepresentation	45
	1. The Parties’ dispute over Defendants’ false statements about Defendants’ first-use date precludes summary judgment	46
	2. The Parties’ dispute over whether Buc-ee’s relied on Defendants’ first-use-date misrepresentation precludes summary judgment	47
	3. The “entire agreement” clause does not preclude Buc-ee’s fraud claims	51
	4. The statute of limitations does not bar Buc-ee’s fraud claims.....	52
F.	Genuine disputes of material fact preclude summary judgment of no breach of the Agreement	55
	1. Defendants’ brief is silent on the evidence relating to Defendants’ use of Buc-ee’s mark in violation of the Agreement.....	55
	2. Defendants admit they ignore record evidence showing their knowledge of actual confusion	56
	3. Defendants’ remaining breach-of-contract arguments do not resolve and are unrelated to the genuine issues of material fact that preclude summary judgment here.....	59
G.	The Court should deny Defendants’ request to award Defendants attorney fees under 15 U.S.C. § 1117	60
VI.	BUC-EE’S RESPONSES TO DEFENDANTS’ STATEMENT OF ALLEGED MATERIAL FACTS	61
VII.	CONCLUSION	87

I. INTRODUCTION

Defendants are in this lawsuit because they made a deliberate decision to freeload on Buc-ee's hard-earned goodwill. Indeed, when Defendants decided to expand beyond the four states in which they operated for over twenty-five years (Nebraska, Missouri, Illinois, and Iowa), they did not go to an adjacent state or area, they went to Houston—where Buc-ee's is headquarterd—and open stores named “Bucky's.” They did this because Defendants knew full well that (1) Buc-ee's trademark “Buc-ee's” is famous in Texas, and that (2) Texans would wrongly confuse and associate the phonetically identical “Bucky's” with Buc-ee's and its goodwill and stellar reputation. It is that very confusion that Defendants expected would jump-start Defendants' business in Houston. To stop Defendants' infringement and the spread of confusion, Buc-ee's filed this lawsuit.

Now, in a bid to avoid having to answer to a jury for their infringing conduct, Defendants seek summary judgment on every claim in Buc-ee's Complaint. In doing so, they throw in everything but the kitchen sink, all before discovery even opened in this case. And they do so, hoping this Court will strip from the jury the ability to decide factual disputes related to Defendants' flawed contentions that Buc-ee's trademark claims are barred by an old agreement between Buc-ee's and Buck's and to Defendants' fraud and misrepresentations. The Court should deny Defendants' Motion for several reasons.

For starters, Defendants' Motion is premature. Indeed, Defendants filed their Motion four days *before* discovery opened. Numerous issues of material fact exist on which Buc-ee's has not been allowed to obtain the discovery needed to adequately respond to Defendants' Motion. Buc-ee's would be insurmountably prejudiced if it is forced to respond to Defendants' Motion without the ability to obtain discovery on material disputes of fact. The Court should therefore

deny Defendants' Motion without prejudice or, at the very least, defer consideration of it until Buc-ee's has an opportunity to complete discovery.

The Court should also deny Defendants' Motion for a more fundamental reason: Defendants fail to show that they are entitled to judgment as a matter of law on any of the several claims they make. *First*, Defendants' contention that Buc-ee's trademark, dilution, and unfair competition claims fail as a matter of law all are based on Defendants' faulty argument that a 2009 Agreement between Buck's and Buc-ee's is clear and unambiguous and allows Buck's to knowingly create confusion. Defendants are wrong. The more reasonable interpretation of the Agreement is that it *forbids* Defendants' from creating confusion. Indeed, the Agreement repeatedly states that the parties must take appropriate steps to avoid confusion and explicitly conditions the parties' expansion on the parties taking appropriate steps to avoid confusion. As one example, in the Limitation of Expansion section, the agreement states:

Subject to ... the *agreement by the parties herein to take appropriate steps to avoid any likelihood of confusion*, ... either party may expand into any geographical territory without objection, interference or filing of any legal action by the other party. (Aplin Decl., Ex. 1, at ¶ 3(b)).

For Defendants to achieve their faulty interpretation, they ignore key provisions of the Agreement and fail to read the Agreement as a whole. Both contract interpretation practices are wrong. Because the evidence amply supports Buc-ee's reasonable interpretation, summary judgment is improper and a jury—not this Court—must determine at trial the true intent behind the Agreement.

Buck's claim that a "covenant not to sue" in the Agreement allows Buck's to create confusion is misplaced because the covenant only applies to activities "permitted in this agreement" and activities that create confusion—like Buck's activities—are not permitted. Under Buc-ee's reasonable interpretation, then, the Agreement does not bar Buc-ee's lawsuit

here. Because the evidence amply supports Buc-ee's reasonable interpretation, summary judgment is improper and a jury—not this Court—must determine at trial the true intent behind the Agreement.

Second, Defendants' assertion that Buc-ee's claims are barred by equitable estoppel similarly falls short. Defendants claim that Buc-ee's agreed to the expansion and the covenant-not-to-sue provisions but allegedly knew that it would never "fulfill" them and in fact has now breached them by filing this lawsuit. But Defendants have not identified any intentionally misleading representations that could possibly support an equitable estoppel defense here. Nor could they. Again, the provisions they point to are reasonably read to forbid Buck's Texas activities and thus cannot be "misrepresentations" and thus have certainly not been breached. Defendants, moreover, have no factual support to argue that Buc-ee's somehow intended all along to breach those provisions.

Third, Defendants cannot show that res judicata bars Buc-ee's claims. Indeed, Defendants' claim that a Rule 41 dismissal of their 2008 lawsuit against Buc-ee's and the Agreement itself are entitled to res judicata effect is wrong at least because neither the Rule 41 dismissal nor the Agreement were final judgments on the merits or involved Buc-ee's current trademark claims.

Fourth, Defendants issue preclusion argument misses the mark because Defendants fail to identify evidence that establishes that the parties intended to foreclose from future litigation the issue of whether there is a likelihood of confusion between the "Buc-ee's" and "Bucky's" marks in a different time and a different region. Indeed, Defendants conspicuously ignore Agreement provisions that premise Buc-ee's statements about likelihood of confusion on Defendants' agreement to take appropriate steps to avoid such confusion.

Fifth, Defendants cannot sidestep the several genuine disputes of material fact that preclude summary judgment on Buc-ee's fraud-related claims. The parties, for example, dispute whether defendant Steve Buchanan's assertion, under penalty of perjury, that Defendants first used their "Bucky's" mark in 1982 was a knowing misrepresentation. The parties also dispute whether Buc-ee's justifiably relied on that misrepresentation. And because a reasonable jury could easily find that Mr. Buchanan was purposefully untruthful and that Buc-ee's reasonably relied on Mr. Buchanan's representation about his own company's date of first use, summary judgment would be improper here.

Finally, Defendants have not established that they are entitled to summary judgment on Buc-ee's breach of contract claim. Nor could they. A jury could more than reasonably find that Defendants breached the Agreement in at least two ways: (1) Defendants used the term "Buc-ee's" at one of their construction sites which is expressly forbidden in the Agreement; and (2) Defendants failed to notify Buc-ee's after Defendants became aware of consumer confusion in connection with their Houston stores.

In sum, Defendants cannot avoid a jury by making unsupported assertions about an ambiguous agreement that are contradicted by a voluminous evidentiary record. Defendants' motion for summary judgment should be denied.

II. BUC-EE'S STATEMENT OF MATERIAL FACTS

A. Buc-ee's has extensively used and vigorously promoted its famous "Buc-ee's" marks, turning Buc-ee's into a Texas success story

1. For 35 years, Buc-ee's has offered convenience store and gas station services and products under the "Buc-ee's" brand and mark. (*See* Aplin Decl., ¶¶ 4-7; Fink Decl., Ex. 1). Buc-ee's first used the Buc-ee's mark at least as early as 1982, and today that use covers many goods and services—gasoline, t-shirts, mugs, novelties, food products, and so on. (*See* Aplin Decl., ¶¶

4-7; *see, generally*, Fink Decl., Ex. 1). Buc-ee's also owns numerous trademark registrations that include the mark "Buc-ee's" (collectively, these registrations and Buc-ee's related common law rights in "Buc-ee's" are referred to as the "Buc-ee's Marks"). (Fink Decl., Ex. 1).

2. Over several decades, Buc-ee's has extensively promoted, and consumers and others have extensively publicized, the Buc-ee's Marks. Buc-ee's has invested tens of millions of dollars in advertising and marketing the Buc-ee's Marks and has put up hundreds of billboards bearing the Buc-ee's Marks, while the Buc-ee's Marks have also been routinely featured in television segments, radio spots, newspaper articles, and internet commentary. (*See* Fink Decl., Exs. 2-3).

3. This exposure has made the Buc-ee's Marks and brand famous. Internet articles deem Buc-ee's a "Texas icon" (Fink Decl., Ex. 3 at 9), declare Buc-ee's the "Best Rest Stop in America" (*id.* at 3), and praise Buc-ee's "unique formula for success" (Fink Decl., Ex. 4). Consumers and others proclaim: "If you bypass gas stations because you're waiting to stop at Buc-ee's instead, you're definitely from Texas." (Fink Decl., Ex. 5).

4. This fame, goodwill, and customer recognition of the Buc-ee's Marks has fueled Buc-ee's tremendous success.

B. Buc-ee's files suit in Texas to stop the infringement and dilution of the Famous Buc-ee's Marks

5. In 2015, Buck's created self-professed "shell" company Bright Site Development, LLC ("BSD")¹ and hired Nathan Richardson ("Richardson") as BSD's only member to open "Bucky's" stores in the Houston, Texas area—where Buc-ee's is headquartered. (Fink Decl., Ex. 6). Richardson, acting as BSD's President, presented to City Councils in Houston. In doing so,

¹ Defendant Steven Buchanan has freely declared BSD is a "shell" company created to hide Buck's identity. (Fink Decl., Ex. 7 at ¶ 10).

he discussed that “BSD is proposing to build a convenience store with gasoline pumps”—including at least one with a 20-car fueling area and car wash displaying the name “Bucky’s”—and he provided, among other things, “a brief history about Bucky’s” and “photos of other Bucky’s locations, proposed landscaping, exterior building elevation, and proposed hotel.” (Fink Decl., Ex. 8, at 9, 16-24; Ex. 9 at 6; Ex. 10 at 2, 16-24).

6. These activities immediately caused confusion about “Bucky’s” association with Buc-ee’s. At one city council meeting, confusion over Buc-ee’s affiliation with Bucky’s was so prevalent the Mayor Pro Tem was forced to address it (Fink Decl., Ex. 11 at 4; Mossman Aff. ¶¶ 5-6):

Mayor Pro Tem Mossman asked those in attendance to pass on to their neighbors that the Bucky’s that will be coming to our community is not the same Bucee’s that everyone is thinking about.

7. At another meeting, “Councilmember Warters inquired as to the relation between [Bucky’s] and Buc-ee’s.” (Fink Decl., Ex. 9 at 6; Warters Aff.). And at yet another meeting, a resident asked if the store coming to Nassau Bay, Texas would be like the Buc-ee’s brand. (Lee Aff., Ex. 1 at 3; Lee Aff. ¶¶ 5-6).

8. When meeting minutes regarding the proposed Bucky’s became public, confusion spread with consumers saying things like: “Holy cow turds! Is Nassau Bay is getting a *Buc-ees* at the corner of Nasa 1 and Nassau Bay Dr.”; “A Bucee’s? Really?? I may come back for a visit.”; “It will probably be a ‘baby’ Bucee’s, like they have in League City (which is basically a gas station and small convenience store).”; “Buc ees beaver nuggets!!” (Fink Decl., Ex. 12; *see also* Fink Decl., Exs. 13-14 (other instances of confusion on social media)). Even the owner of land that BSD agreed to purchase for a Bucky’s store was confused: “I was confused between the names Buc-ee’s and Bucky’s and thought that they might be partners in the same company.” (Fink Decl., Ex. 15 at ¶¶ 5-8).

9. Defendants had access to these meeting minutes as part of their development activities, and during at least one of the meetings, had a representative present at the meeting who responded to the confused resident by letting her know that the “Bucky’s” brand was different than the “Buc-ee’s” brand. (Lee Affidavit ¶ 5 and Lee Aff. Ex. 1 at 3).

10. To prevent the further spread of confusion and to stop the improper use of “Bucky’s” in Texas, Buc-ee’s sued Buck’s, BSD, Richardson, and Tildon Sun Development LLC (“Tildon”) on March 14, 2017 in Texas. (ECF 1).

11. After filing suit, Buc-ee’s learned that the general contractor building the “Bucky’s” stores in Houston, KHH Interests, Inc. d/b/a Cactus Commercial (“Cactus”), put up construction notices using the terms “Buc-ee’s” and “Bucky’s,” as well as a large sign advertising that “Bucky’s” is “Coming Soon”:



(Fink Decl., Ex. 16).

12. This opened the confusion floodgates. People passing by the sign are fooled into thinking a Buc-ee’s is “coming soon” or that Buck’s is somehow affiliated with Buc-ee’s. Indeed, many customers have already told Buc-ee’s employees that they believe the “Bucky’s Coming Soon” sign is affiliated with Buc-ee’s. For example:

- Several dozen customers told employees at a different nearby Buc-ee's location that they had seen a sign announcing that Buc-ee's was opening a new store where the "Bucky's Coming Soon" sign was put up. (Humpert Decl. ¶ 2).
- One particular confused customer told a general manager at a nearby Buc-ee's location that he was happy to see Buc-ee's was opening a store on the NASA One Parkway because he saw a sign stating Buc-ee's was coming. (Mills Aug. 2017 Decl. ¶¶ 3-4).
- A confused customer told the Asst. general manager at the same Buc-ee's that he saw a sign stating a Buc-ee's was opening on NASA Parkway. (Siegel Decl. ¶¶ 2-4).
- Another confused customer asked if the new store with the sign was a spin off or a subsidiary because it will be a smaller store. (Humpert Decl. ¶¶ 3, 5-7).
- One confused woman even remarked that Buc-ee's actually spelled its name correctly this time by spelling it "Bucky's." (*Id.* ¶ 4).
- One confused customer was so convinced Buc-ee's was opening a store in Nassau Bay that the woman told the Asst. general manager at one Buc-ee's location that Buc-ee's must not have told its workers yet. (White Decl. ¶ 3).
- Yet another confused customer asked the GM at the League City Buc-ee's how to apply for a job at the new store on NASA Rd. (Mills Nov. 2017 Decl. ¶ 6).

13. To stop the escalating confusion and infringement, Buc-ee's moved for a preliminary injunction in the Texas Action on August 23, 2017 (Fink Decl., Ex. 17). That motion is fully briefed and ripe for adjudication.

C. Prior Proceedings and Agreement

14. On June 13, 2007, Buc-ee's filed Opposition proceeding No. 91/177,801 with the Trademark Trial and Appeal Board against Bucks' U.S. Trademark Application Serial No. 76/653,211 for the mark "Bucky's" based on Bucks' 1989 asserted date of first use and Buc-ee's priority of use arising from Buc-ee's first use of "Buc-ee's" in July of 1982. (Fink Decl., Ex. 21).

15. On December 2, 2008, Buck's sued Buc-ee's in the District of Nebraska on claims of Unfair Competition, Violation of the Nebraska Uniform Deceptive Trade Practice Act and for Declaratory Judgment. (Fink Decl., Ex. 18, 2008 Complaint).

16. The Opposition and 2008 litigation between Buck's and Buc-ee's was ultimately resolved by settlement agreement (the "Agreement"), although, as described below, this was only achieved through Buck's fraud regarding the duration of Buck's use of the "Bucky's" mark.

17. The district court litigation was terminated pursuant to Rule 41(a)(2) when Buck's filed a Motion for Dismissal With Prejudice (Fink Decl., Ex. 18). The Court thereafter issued an Order and Final Judgment granting Buck's motion for dismissal and dismissed all of Buck's claims against Buc-ee's with prejudice. (Fink Decl., Ex. 20). The dismissal of the prior litigation between the parties was not jointly requested by the parties, did not contain any facts or stipulations, and did not incorporate any agreements of the parties. (*Id.*).

18. In the Opposition, Buc-ee's requested to withdraw its opposition with prejudice pursuant to the Agreement, which as described below was obtained by fraud. (Fink Decl., Ex. 22) The Trademark Office thereafter issued a dismissal stating "On March 26, 2010, opposer filed a withdrawal of the opposition with prejudice. In view thereof, the opposition is dismissed with prejudice." (Fink Decl. Ex., 23) The parties did not jointly request the dismissal of the opposition, nor did it contain any facts or stipulations, or incorporate any agreements of the parties. (*Id.*).

19. As to the Agreement, multiple terms of the Agreement require Buck's to take active steps to prevent confusion. Defendants' careful quotations in their Summary Judgment Motion hide these terms. For example, the Agreement provides that that Buck's must take "appropriate steps" to eliminate "actual confusion" and to avoid "likelihood of confusion":

Avoidance of Consumer Confusion. The parties believe that compliance with the terms and conditions of this Agreement will avoid any consumer confusion between the parties' respective trademark uses. Notwithstanding the foregoing, in the event that either party encounters any instances of actual consumer confusion between the parties' respective trademark uses, such party will promptly notify the other party and the parties will cooperate in good faith to take appropriate steps

and measures to eliminate such actual confusion and to avoid any future likelihood of confusion. (Aplin Decl., Ex. 1, at 4, ¶ 8).

20. And Buc-ee's agreement to allow Buck's to expand is explicitly premised on the avoidance of likelihood of confusion. Defendants' careful quotations in their motion for summary judgment hide these terms. The Agreement clearly states that Buc-ee's agreement to allow Buck's to expand into new geographic territories is based on Buck's agreement to "take appropriate steps to avoid any likelihood of confusion":

Subject to ... the agreement by the parties herein to take appropriate steps to avoid any likelihood of confusion, and because the parties agree that no likelihood of confusion will result from their separate use of their respective marks, either party may expand into any geographical territory without objection, interference, or filing of any legal action by the other party. (*Id.*, at 3, ¶ 3(b)).

21. Buc-ee's covenant not to sue also is also premised on the requirement that Buck's not create confusion. If Buck's creates confusion or does not "take appropriate steps to avoid any likelihood of confusion," then Buc-ee's is fully entitled to "object[]", or "interfere[]" or to file a "legal action" under section three of the Agreement. (*Id.*). Section one of the Agreement similarly provides that "Buc-ee's agrees ... it shall not sue or otherwise bring official action in court ... with regard to the use by Buck's of the BUCKY'S mark as permitted in this Agreement":

Buc-ee's agrees that during the term of this Agreement it shall not sue or otherwise bring official action in court or in the US Patent and Trademark Office with regard to the use by Buck's of the BUCKY'S mark as permitted in this Agreement. (*Id.*, at 2, ¶ 1(c)).

22. The Parties even explicitly stated the entire agreement was premised on avoiding such confusion. At the very beginning of the Agreement, the parties expressly agreed that they were entering into the Agreement to avoid "any consumer confusion and any likelihood of confusion":

WHEREAS, Buck's and Buc-ee's desire to enter into this Agreement ... to avoid any consumer confusion ..." and "In consideration of the covenants and agreements set forth herein, and in order to ... continue to avoid any consumer confusion and any likelihood of confusion between their respective trademarks, the parties agree as follows ..." (*Id.*, at 1-2).

23. Buck's also explicitly agreed that the different "channels of trade" in which consumers saw the "BUCKY'S" mark and the "BUC-EE'S" marks prevented confusion "by the relevant consumers in the relevant channels of trade":

[T]he channels of trade in which the respective customers see and are presented with the respective marks are believed by the parties to cause the different appearance of the marks to be a primary factor for creating distinct overall commercial impressions for the respective marks so that the source of origin of the goods and services is not likely to be confused by the relevant consumers in the relevant channels of trade. (*Id.*, at 2, ¶ 1(a)).

24. The Agreement expressly provided that "Buck's agree[d] that it shall not use the trademark or service mark BUC-EE'S or any trademark or service mark that contains the word BUC-EE'S in connection with retail store services featuring convenience store items, gasoline, and any related goods or services in the United States." (*Id.*, at 2, ¶ 1(b)).

25. Relatedly, the Agreement explicitly states that neither party has entered into the state of the other party: "This Agreement is made and entered into without either party entering the state of the other." (*Id.*, at 4, ¶ 11). The Agreement further states that the different "channels of trade" are a "primary factor for creating distinct overall commercial impressions for the respective marks so that the source of the goods and services is not likely to be confused by the relevant consumers in the relevant channels of trade." (*Id.* at 2, ¶ 1(a)).

26. The parties also expressly contemplated future litigation, as shown by the forum provision clause in the agreement regarding future litigation:

The parties also agree that any action brought by Buck's under this Agreement shall be adjudicated in the state and federal courts of Harris County, Texas and any action brought by Buc-ee's under this agreement, shall be adjudicated in the state and federal courts located in Douglas County, Nebraska. (*Id.*, at 4, ¶ 11).

27. The Agreement also stated that “[n]o inducements, representations or promises have been made, other than those recited in this Agreement,” (*Id.*, at 5, ¶ 14).

D. Buck’s fraud and shifting alleged dates of use

28. In 2006, Defendants filed Trademark Application Serial No. 76/653,211 for the BUCKY’s mark, alleging a date of first use of “at least as early as 1989.” (Fink Decl., Ex. 24). After Buc-ee’s filed an Opposition proceeding No. 91/177,801 with the Trademark Trial and Appeal Board based on this asserted date and its priority of use arising from Buc-ee’s first use of “Buc-ee’s” in July of 1982, Buck’s answered an interrogatory stating that the first use in commerce of the BUCKY’S mark was as early 1982. (Fink Decl., Ex. 25).

29. Defendants then filed a declaratory judgment suit against Buc-ee’s on December 2, 2008, in this District, and again asserted that the first use of the BUCKY’s mark was “as least as early as May of 1982.” (Fink Decl., Ex. 18, at ¶ 3). During that litigation, Buchanan, the owner of Buck’s, declared under penalty of perjury on March 4, 2009 that he “first began operating Bucky’s Amoco on or before May 19, 1982 at 50th and Dodge Streets in Omaha, Nebraska” and that he used the mark “Bucky’s” “since at least as early as May 19, 1982.” (Fink Decl., Ex. 26, at ¶¶ 1, 8).

30. Defendants have even alleged their use goes back even further. Defendants produced an undated letter drafted by the alleged logo designer Dennis Mailliard stating that the Bucky’s logo was designed in 1980 for advertising mailers. (Fink Decl., Ex. 27). But in the prior litigation, Mr. Mailliard provided a document in October of 2008 stating that his agency did not handle Buck’s “direct mail” “until recently,” that the undated letter was only drafted “when discussing a current mail piece,” that Mr. Mailliard had no documents supporting the 1980 date in his undated latter, and that Mr. Mailliard’s alleged 1980 date was based in part on what

Buchanan told him. (Fink Decl., Ex. 28). Therefore, this letter was likely drafted decades after the alleged fact and is wholly uncorroborated.

31. And most recently, in his deposition, Buchanan now asserts that the initial use of Bucky's was in 1979. (Fink Decl., Ex. 29, at 18:15-18).

32. But Buchanan's own company, Buck's, has contradicted Mr. Buchanan's sworn statements, stating in its verified interrogatory response served on June 13, 2017 that "[t]he exact date of first use of the mark BUCKY'S is not known, but at least as early as December 31, 1989, which is why Buck's stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck's adopted the mark BUCKY'S for convenience stores services at its Amoco location at 30th & Dodge." . . . "Buck's adopted and used the mark BUCKY'S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location *starting some time in 1989*," that "[t]he use of the BUCKY'S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY'S," and that earlier uses did not use this mark as "[s]ince at least as early as 1979, the names 'Buchanan's Standard Service', 'Buchanan's Service Center' and other derivatives using Mr. Buchanan's surname BUCHANAN were used at the 5001 Dodge Street location." (Fink Decl., Ex. 30, at 9, 12, 18-19 (emphasis added)).

33. All the currently known documentary evidence uniformly shows that prior to 1989, Buck's stores were called "Buchanan's," not "Bucky's." (See Fink Decl., Ex. 31). Buc-ee's entered into the Agreement in reliance on Buck's and Buchanan's statements submitted to this Court, and declared by Buchanan under penalty of perjury.

E. Defendants' discovery obstruction has prevented Buc-ee's from investigating its claims and defending itself from the motion for summary judgment

34. Defendants have frustrated Buc-ee's abilities to investigate its claims and Defendants' fraud at every turn. For example, Buck's, BSD, and Richardson tried to short-circuit the Texas Action at the outset by filing a motion to dismiss or to transfer the Texas Action to Nebraska, claiming a prior agreement between Buck's and Buc-ee's precluded Buc-ee's trademark claims, just as they do in their summary judgment motion. (Fink Decl., Ex. 32). Bucks, BSD, and Richardson also tried to stay the Texas Action pending their motion to dismiss or transfer. The Texas court denied Buck's, BSD's, and Richardson's motion to dismiss. (Fink Decl., Ex. 33). The Texas court also ultimately granted in part the transfer request and severed and transferred Buck's to Nebraska, creating this case, while at the same time denying the motion to transfer as to these parties and maintaining the Texas Action over the remaining defendants BSD, Richardson, and Tildon. (*Id.*). Once this case was docketed in Nebraska, Buc-ee's amended the complaint to add Buck's CEO and founder, Steven Buchanan. (ECF 77).

35. Only very limited discovery occurred prior to this case being transferred. For over half a year, Buck's has in large part refused to produce relevant and responsive information to Buc-ee's discovery requests on the basis that there is no protective order in place. (Fink Decl., Exs. 34-35). But for months Buck's refused to meaningfully negotiate the terms of a protective order. The Court recently provided instructions, on November 28, 2017, for assisting the parties in resolving their disputes with the Protective Order. (Fink Decl., Ex. 36). The parties will be submitting their disputes regarding certain provisions of the Protective Order via email to Magistrate Judge Nelson on December 1, 2017—the same date this Opposition to Buck's Summary Judgment is filed. *Id.*

36. Buck's has also refused to search for, much less produce, any electronically stored information ("ESI") until an ESI Protocol was entered. (Fink Decl., Ex. 30, at 3). The Court just entered an order for the production of ESI two days ago on November 29, 2017. (ECF 103).

37. Even setting those issues aside, Buck's has also in large part refused to produce any information or documents not specifically related to the Houston, Texas metropolitan area or the timeframe of Buck's 2017 expansion. (*Id.*, at 5).

38. And to the extent Buck's provided documents outside this limited window, these selective productions are woefully incomplete. Buck's admitted it limited document production of older documents to documents that "demonstrate advertising and promotion of the convenience store products and services in 1989." (*Id.*, at 18). In Buchanan's deposition, Defendants produced a single "Operating Statement" for "Buchanan Standard," (Fink Decl., Ex. 47) that is purportedly from 1982, but even this document tellingly fails to show the term "Bucky's" at all. No other pre-1989 documents have been provided in this case or the Texas Action, despite the tenacious dispute between the parties regarding Buck's alleged use of the "Bucky's" mark in and prior to 1982.

39. According to Buck's, discovery on any topics unrelated to activities in the Houston area or the 2017 expansion is burdensome and irrelevant due to "the marginal importance of the information sought to [Buck's] defenses in this case [and] such information [] ultimately would provide no benefit to resolving the issues of this case." (Fink Decl., Ex. 30) And Buchanan, a named party in this suit, was not a party in the Texas suit.

40. Buck's has not provided additional discovery since this case was transferred. The parties just recently, on November 13, 2017, filed a Rule 26(f) report, (ECF 89), and discovery only opened on November 14, 2017. (ECF 90).

41. On November 22, 2017, Buc-ee's served additional interrogatories and requests for production on Buck's, original interrogatories and requests for production on Steven Buchanan, and also requested dates for depositions from Steven Buchanan and Buck's employee Nichole Mallet. (Fink Decl., Exs. 34, 37-40).

42. Nathan Richardson previously testified that "everything" at Buck's "runs through" and is "approve[d]" by Ms. Mallett and that he directly reports to Ms. Mallett. (Fink Decl., Ex. 41, at 47:20-48:10). Ms. Mallet also verified the most recent interrogatory response providing the 1989 date of first use, (Fink Decl., Ex. 30) and has "personal knowledge" about the "early days" of Buck's including at least as far back as 1982. (Fink Decl., Ex. 29, at 80:16-81:14). Despite all this, Buck's has not responded to Buc-ee's request for dates that Ms. Mallett is available for a deposition..

43. Also on November 22, 2017, Buc-ee's served third-party discovery on Dennis Mailliard (the alleged designer of the Bucky's logo) as well as Kutak Rock LLP and McGrath North Mullin & Kratz PC, the entities that assisted Defendants with asserting their varying alleged dates of first use. (Fink Decl., Exs. 34, 43-45). Among other things, Buc-ee's has requested "documents and things sufficient to establish Buck's use in commerce of the term "Bucky's" in 1979, 1980, 1982 and 1989," and "the steps taken" "to confirm the accuracy of the [asserted] facts [of use]" from Kutak Rock, (Fink Decl., Ex. 43), and has issued analogous requests regarding the assertions of use made in Buck's trademark applications by McGrath North Mullin & Kratz PC. (Fink Decl., Ex. 44).

44. Buc-ee's has, among many other things, requested documents and things relating to actual confusion in its Requests for Production to Buck's, Inc. (Fink Decl., Ex. 45, , Request Nos. 6, 16). Buc-ee's also requested documents and things relating to Defendants use of the

“Buc-ee’s” mark in its Requests for Production to Buck’s, Inc. (*Id.*, Request Nos. 35, 38). Buc-ee’s additionally requested documents and things relating to Buck’s decision to enter into the Agreement. (Fink Decl., Ex. 38, Request Nos. 43, 44). As noted on page 38 of Defendants’ Motion for Summary Judgment, Buc-ee’s first requested documents or things establishing Buck’s date of first use of the Bucky’s mark in 2008. And Buc-ee’s has again requested discovery on this issue in the current suit. (Fink Decl., Ex. 45, Request Nos. 7, 8).

45. Buck’s has only produced a limited number of documents so far. As noted above, virtually all of their document production has been limited to recent, Houston-based activity, rather than, for example, documents or communications regarding the agreement, such as those created during the negotiation and signing of the Agreement. But even this production is deficient. For example, Defendants have produced no documents regarding confusion, despite the presence of a Bucks’ employee at city council meetings where confusion occurred, and only limited documents from those city council meetings. (Fink Decl., Ex. 9 at 6; Warters Aff.).

46. As another example, Enrique Meraz is Buck’s project manager for all of Defendants’ forthcoming Texas locations. (Fink Decl., Ex. 29, at 90:7-13; Fink Decl., Ex. 41, at 128:11-14). Mr. Meraz forwards status reports he receives regarding the Texas locations on a “weekly” or near weekly basis to Richardson and Buchanan. (Fink Decl., Ex. 41, at 128:11-22). Buchanan specifically identified Cactus Commercial as an entity that works with and through Mr. Meraz, (Fink Decl., Ex. 29, at 90:23-35), few documents or correspondence between Mr. Meraz and Buck’s, Buchanan, BSD, or Richardson have been provided.

47. While virtually all of Defendants’ document production ignores the critical time period, in Buchanan’s deposition, Defendants produced a single accounting record from 1982 for “Buchanan Standard” that tellingly failed to show the term “Bucky’s” at all. (Fink Decl., Ex. 47).

No other documents from 1989 or earlier, such as accounting statements, sales documents, financial documents, purchase orders, receipts, agreements, advertisements, promotional materials, advertisements, have been provided.

48. In addition to the deficient document production, Buc-ee's seeks to depose Buchanan, Buck's, Steven Buchanan, Dennis Mailliard, and Nichole Mallett regarding Buck's alleged date of first use of the Bucky's mark, actual confusion, Buck's intent in signing the Agreement and entering Texas, and other issues. But Defendants have indicated they will move to quash or otherwise oppose at least the Mailliard and Mallet depositions. (Fink Decl., Ex. 48).

49. Finally, critical third parties have yet to provide any requested discovery. Buck's counsel has threatened to move to quash the noticed deposition Dennis Mailliard and has refused to make Mr. Mailliard available for deposition. (Fink Decl., Ex. 48). And both Kutak Rock and McGrath North Mullin & Kratz PC have objected to Buc-ee's discovery requests. (Fink Decl., Exs. 49-50).

III. RULE 56(D) REQUEST FOR DISCOVERY

Further discovery is necessary to fully respond to Defendants' Motion for Summary Judgment. Buc-ee's filed its First Amended Complaint on September 6, 2017. (ECF 77). Two months later and *before discovery even opened*, Defendants filed their Motion for Summary Judgment (ECF 86, on Nov. 10, 2017). This case remains in a very early stage: The parties just recently, on November 13, 2017, filed a Rule 26(f) report. (ECF 89). Discovery opened on November 14, 2017, (ECF 90). An ESI protocol was just entered two days ago. (ECF 103). And a protective order which would allow the parties to exchange confidential information has not yet been agreed upon or entered.

Because discovery just opened, Buc-ee's has not yet had an opportunity to complete the discovery necessary to respond to Defendant's Motion for Summary Judgment on every claim in

the case, Claims I-XII. Absent discovery, Buc-ee's cannot present certain facts essential to its opposition to Defendants' Motion. As a result, the Court should enter an order deferring consideration of Defendants' Motion for Summary Judgment until Buc-ee's has an opportunity to complete the discovery necessary to respond to this Motion.

A. The Court has broad authority under Rule 56(d)

Under Rule 56(d) the Court may defer consideration of a motion for summary judgment and allow time for additional discovery when "a nonmovant shows by affidavit or declaration that, for specified reasons, it cannot present facts essential to justify its opposition." Fed. R. Civ. P. 56(d). "Summary judgment is proper only after the nonmovant has had adequate time for discovery." *Iverson v. Johnson Gas Appliance Co.*, 172 F.3d 524, 530 (8th Cir. 1999) (internal quotations omitted)..

This Court has noted that "[t]here is a clear preference in the law for adequate discovery" prior to considering a summary judgment motion. *Baouch v. Werner Enterprises, Inc.*, No. 8:12-CV-408, 2014 WL 3058357, *1 (D. Neb. July 7, 2014). Requests for continuance under Rule 56(d) "are broadly favored and should be liberally granted." *Culwell v. City of Fort Worth*, 468 F.3d 868, 871 (5th Cir. 2006). "If the failure to allow discovery deprives the nonmovant of a fair chance to respond to the motion . . . summary judgment is not proper and will be reversed." *Iverson*, 172 F.3d at 530.

To support a Rule 56(d) motion, the party seeking relief "must file an affidavit describing: (1) what facts are sought and how they are to be obtained; (2) how these facts are reasonably expected to raise a genuine issue of material fact; (3) what efforts the affiant has made to obtain them; and (4) why the affiant's efforts were unsuccessful." *ACI Worldwide Corp. v. Churchill Lane Assocs., LLC*, No. 8:14-CV-249, 2015 WL 13446671, at *1 (D. Neb. May 11, 2015).

B. Defendants have delayed and prevented discovery

This case comes from the severance of one party, Buck's, from a separate, multi-party Texas lawsuit. (ECF 54). Prior to transfer to this Court, Buck's filed a Motion to Stay Discovery (ECF 23), which was denied (ECF 35). Both the transfer and stay motions delayed discovery. Only very limited discovery occurred prior to this case being transferred, and Buck's has not provided additional discovery since this case was transferred. Further discovery is necessary for Buc-ee's to respond to Defendants' Motion for Summary Judgment.

For over half a year, Buck's has refused to produce relevant and responsive information to Buc-ee's discovery requests on the basis that there is no protective order in place. (Fink Decl., Exs. 34-35). But for months Buck's refused to meaningfully negotiate the terms of a protective order. (*Id.*) The Court recently provided instructions, on November 28, 2017, for assisting the parties in resolving their disputes with the Protective Order. (Fink Decl., Ex. 36). The parties are submitting their positions regarding disputed provisions of the Protective Order via email to Magistrate Judge Nelson on December 1, 2017—the same date this Opposition to Buck's Summary Judgment is filed. *Id.* Buck's has also refused to search for, much less produce, any electronically stored information (“ESI”) until an ESI Protocol was entered. (Fink Decl., Ex. 30, at 3). The Court just entered an order for the production of ESI two days ago on November 29, 2017. (ECF 103).

In particular, Buck's has in large part refused to produce any information or documents not specifically related to the Houston, Texas metropolitan area or the timeframe of Buck's 2017 expansion. (*Id.* at 5). And to the extent Buck's provided documents outside this limited window, these selective productions are woefully incomplete. Buck's admitted it limited document production of older documents to documents that “demonstrate advertising and promotion of the convenience store products and services in 1989.” (Fink Decl., Ex. 30). In Buchanan's

deposition, Defendants produced a single documents for “Buchanan Standard,” (Fink Decl., Ex. 47) that is purportedly from 1982, but even this document tellingly fails to show the term “Bucky’s” at all. No other pre-1989 documents have been provided in this case or the Texas Action, despite the tenacious dispute between the parties regarding Buck’s alleged use of the “Bucky’s” mark in and prior to 1982. According to Buck’s, discovery on any topics unrelated to activities in the Houston area or the 2017 expansion is burdensome and irrelevant due to “the marginal importance of the information sought to [Buck’s] defenses in this case [and] such information ultimately would provide no benefit to resolving the issues of this case.” *Id.* But Buck’s now moves for summary judgment based on the activities well before 2017—activities for which they are refusing to provide discovery. Buck’s should not be allowed to withhold discovery on the very issues for which it seeks summary judgment.

C. Only limited discovery has been conducted

Prior to the transfer to this Court, Buck’s provided only very limited discovery. Buck’s provided Answers and Objections to Buc-ee’s First Set of Interrogatories and Responses and Objections to Buc-ee’s First Set of Requests for Production on June 13, 2017. (*Id.*; Fink Decl., Ex. 30, Ex. 59). Buchanan, a named party in this suit, was not a party in the Texas suit.

Given the limited state of the record, on November 22, 2017, Buc-ee’s served additional interrogatories and requests for production on Buck’s, original interrogatories and requests for production on Steven Buchanan, and also requested dates for depositions from Steven Buchanan and Buck’s employee Nichole Mallet. (Fink Decl., Exs. 34, 37-30). On the same day, Buc-ee’s also served third-party discovery on multiple persons and entities. (Fink Decl., Exs. 43-45). All of this pending discovery is drawn to topics relevant to Defendants’ Motion for Summary Judgment and that Buc-ee’s requires to fully and fairly respond to Defendants’ Motion for Summary Judgment. Where “there has been no adequate initial opportunity for discovery, a strict

showing of necessity and diligence that is otherwise required for a Rule 56(f) request for additional discovery . . . does not apply.” *Metro. Life Ins. Co. v. Bancorp Servs., L.L.C.*, 527 F.3d 1330, 1337 (Fed. Cir. 2008) (Rule 56(f) is now Rule 56(d)).

D. Buc-ee’s needs evidence of confusion to respond to Defendants’ assertion that they did not breach the Agreement

Buc-ee’s needs discovery regarding Defendants’ notice of actual confusion between the Bucky’s and Buc-ee’s marks to fully oppose Defendants’ Motion for Summary Judgment. Paragraph 8 of the Agreement states that “in the event that either party encounters any instances of actual consumer confusion between the parties’ respective trademark uses, such party will promptly notify the other party and the parties will cooperate in good faith to take appropriate steps and measures to eliminate such actual confusion and to avoid any further likelihood of confusion.” (Aplin Decl., Ex. 1, ¶8). But Defendants have not provided any notifications to Buc-ee’s regarding actual consumer confusion. In their Motion, Defendants allege they were not aware of any confusion and therefore had no obligation to notify Buc-ee’s. (Br. 45-50). But Buc-ee’s has not yet obtained discovery regarding Buck’s assertion. And Buc-ee’s has discovered many instances of actual confusion, including instances of confusion in the presence of and directed to Bucks’ employee Nathan Richardson (*see* Lee Affidavit ¶ 5 and Lee Aff. Ex. 1 at 3; Warters Aff.), which puts in question whether Defendants were aware of any actual confusion. As described above in Buc-ee’s Statement of Material Facts (“SOF”) No. 6-8, Defendants’ use of “Bucky’s” has caused confusion over whether Buck’s is associated with Buc-ee’s, and thus, without further discovery, Buc-ee’s cannot fully respond to Defendants’ assertion that they had not obligation to notify Buc-ee’s.

In addition, as described above in SOF No. 11, Buc-ee’s also alleges Defendants breached the Agreement by their use of the “Buc-ee’s” mark. Although Defendants ignore this in

their Motion, Buc-ee's needs discovery on these facts to properly respond to Defendants' allegations that they have not breached the Agreement.

Buc-ee's requested documents and things relating to actual confusion in the First Set of Requests for Production to Buck's, Inc. (Fink Decl., Ex. 45, Request Nos. 6, 16). For example, request number 6 states "[p]lease produce all documents and things referring to, relating to, or concerning oral or written communications received by Buck's from any customer, consumer, retailer, supplier, manufacturer, distributor, developer, governmental agency, or other person or entity referring to, relating to, or concerning Buc-ee's and/or BUC-EE'S Marks, including but not limited to instances of actual confusion involving Buck's services or products." *Id.*

Buc-ee's also requested documents and things relating to Defendants use of the "Buc-ee's" mark in the First Set of Requests for Production to Buck's, Inc. (*Id.*, Request Nos. 35, 38). For example, request number 35 states "[p]lease produce all documents and things that refer or relate to Buc-ee's or BUC-EE'S Marks." *Id.*

Buck's has only produced a limited number of documents that that refer to Buc-ee's. Tellingly, Buck's production omits critical documents and communications, such as those addressing the city council meetings where confusion occurred. For example, Defendants' production is not complete as to Defendants' and Richardson's interactions with city council members. Defendants have also not produced Defendants' or Richardson's communications with Enrique Meraz, Buck's project manager for all of Defendants' forthcoming Texas locations.

Buc-ee's has also not had the opportunity to complete depositions on these issues. Buc-ee's believes that Defendants are in possession of facts relating to consumer confusion and their use of the "Buc-ee's" mark. Buc-ee's is entitled to obtain discovery regarding these issues. For example, Richardson testified that "everything" at Buck's "runs through" and is "approve[d]" by

Buck's Vice President Nichole Mallett and that he directly reports to Ms. Mallett. (Fink Decl., Ex. 41, at 47:20-48:10). Thus, Ms. Mallett likely has personal knowledge, and likely has many documents and/or communications relevant to, Bucks' use of "Buc-ee's" within Texas and any actual confusion occurring in Texas and/or Buck's awareness thereof, as Richardson was present at several city council meetings where confusion occurred, as well as Buck's use of "Buc-ee's" within Texas. But when Buc-ee's attempted to depose Ms. Mallett, Buck's refused to make her available.

As another example, Buc-ee's will also need to depose Enrique Meraz, Buck's project manager for all of Defendants' forthcoming Texas locations, and obtain documents and correspondence related to Mr. Meraz and his activities. (Fink Decl., Ex. 29, at 90:7-13; Fink Decl., Ex. 41, at 128:11-14). Defendants' have represented that Mr. Meraz forwards to Richardson and Buchanan status reports he receives regarding the Texas locations on a "weekly" or near weekly basis. As a "project manager" Meraz likely has personal knowledge, and likely has many documents and/or communications relevant to, additional actual confusion occurring in Texas as well as Buck's use of "Buc-ee's" at one of these Texas sites. (Fink Decl., Ex. 41, at 128:11-22). Indeed, Buchanan specifically identified Cactus Commercial as an entity that works with and through Mr. Meraz, (*Id.*, at 90:23-35), but Defendants have produced few documents or correspondence between Mr. Meraz and Bucks, Buchanan, BSD, or Richardson, even though Mr. Meraz contacts Richardson on at least a "weekly" or near weekly basis, if not more.

Further, Buc-ee's will require discovery from Kevin Kendrick, a Senior Vice President of Bucks responsible for Bucks' operations in Houston, Texas. (Fink Decl., Ex. 41, at 128:11-22, at Richardson 47:16-48:20. Richardson testified that he reports to Mr. Kendrick. (*Id.*, at 47:16-

48:20). Mr. Kendrick, therefore, is likely to have discoverable information, including at least communications regarding city council meetings where actual confusion occurred.

This discovery will further support the existence of genuine issues of material fact as to whether or not Bucks breached the Agreement

E. Buc-ee's needs discovery relating to the understanding and intent of the Parties as to the Agreement to respond to Defendants' assertions that the Agreement permits Buck's actions or provides an unconditional covenant not to sue

Buc-ee's is entitled to discovery regarding the understanding and intent of the parties when entering into the Agreement to respond to Defendants' arguments that the Agreement is unambiguous, permits Buck's to cause confusion, and provides an unconditional covenant not to sue.

In their Motion for Summary Judgment, Defendants asserted that "the Co-Existence Agreement is indisputably clear and unambiguous," that it allows Buck's to use the "Bucky's" mark in any manner in any geographic location regardless of whether it causes actual confusion or a likelihood of confusion. (ECF 87, at 21). In addition, Defendants assert that the Agreement provides an unconditional covenant not to sue. *Id.* at 25–26. But Buc-ee's reasonable interpretation of the Agreement is that the Agreement does not allow use of the "Bucky's" mark in ways and in locations that cause actual or likely of confusion with the Buc-ee's mark. Buc-ee's should be allowed further discovery on these issue to properly respond to Defendants Motion for Summary Judgment. Discovery is crucial prior to summary judgment consideration for cases that turn on contract interpretation. *See, e.g., Nat'l Sur. Corp. v. Dustex Corp.*, 291 F.R.D. 321, 327 (N.D. Iowa 2013) ("[C]ourts have considered discovery crucial even in actions for a simple declaratory judgment on a contract").

“A court’s primary concern in interpreting a contract is ascertaining the true intent of the parties.” *Healthplex Assocs., Inc. v. Madonna Rehab. Hosp.*, No. 4:06CV3284, 2008 WL 4790976, at *3 (D. Neb. Oct. 30, 2008). Discovery of the true intent of Defendants when signing the Agreement, will be illuminated through discovery. Buc-ee’s seeks discovery regarding Defendants’ intent when entering the Agreement. Buc-ee’s requested documents and things relating to Buck’s decision to enter into the Agreement. (Fink Decl., Ex. 37, Request Nos. 43, 44). For example, request number 43 states “[p]lease produce all documents and things referring or relating to Buck’s decision to enter into the Settlement Agreement, including its intent in entering into the Settlement Agreement.” *Id.*

Buc-ee’s seeks to discover any documents or communications regarding the Agreement, particularly those created during the negotiation and signing of the Agreement. Additionally, Buc-ee’s seeks to depose Buchanan, who signed the Agreement for Buck’s, to obtain facts regarding his understanding of the Agreement and intent in signing the Agreement. Buc-ee’s also seeks to depose Vice President Nichole Mallet, as “everything” at Buck’s “runs through” and is “approve[d]” by Ms. Mallett, (Fink Decl., Ex. 41, at 47:20-25), to obtain facts regarding this issue. But Buck’s is not making her available.

Defendants’ understanding of the Agreement at the time the Agreement was signed raises a genuine issue of material fact as to reasonable interpretations of the Agreement.

F. Buc-ee’s needs evidence related to the “Bucky’s” first-use date to respond to Defendants’ assertion that summary judgment is proper on Buc-ee’s fraud-related claims

Buc-ee’s is entitled to take discovery relating to Buck’s fraudulent inducement, fraudulent misrepresentation, and negligent misrepresentation. Defendants’ allege in their Motion for Summary Judgment, that there was no misrepresentation to Buc-ee’s. (ECF 87, 35–42). Buc-ee’s should not be required on summary judgment to take Defendants at their word.

As discussed above in SOF No. 33, Buc-ee's entered into the Agreement in reliance on Buck's and Buchanan's statements submitted to this Court, and declared by Buchanan under penalty of perjury, that Buck's and Buchanan began using the Bucky's mark at least as early as May of 1982. (Fink Decl., Ex. 26). But now, in verified interrogatory responses, Buck's states its date of first use of the Bucky's mark as 1989 and admits that it does not actually know the date of first use, while Mr. Buchanan recently stated that the first use date was 1979 or 1980. (Fink Decl., Ex. 30) Over time, Defendants have asserted at least four different dates of first use of the Bucky's marks.

At a minimum, Buc-ee's should be allowed to take the deposition of Buck's, Steven Buchanan, Dennis Mailliard (the person who created the logo, but has only supported this assertion with a cursory, undated and unsworn self-drafted letter (Fink Decl., Ex. 27), and Nichole Mallett (who verified the most recent response providing the 1989 date of first use, (Fink Decl., Ex. 30) and has "personal knowledge" about the "early days" of Buck's including at least as far back as 1982 (Fink Decl., Ex. 41, at 80:16-81:14)) and to obtain documents relating to Buck's alleged date of first use of the Bucky's mark before responding to Defendants' Motion for Summary Judgment. Buc-ee's has repeatedly requested production of any documents or things establishing Buck's date of first use of the Bucky's mark. As noted on page 38 of Defendants' Motion for Summary Judgment, Buc-ee's first requested discovery on this issue in 2008. Buc-ee's again requested discovery on this issue upon filing requests in the current suit. (Fink Decl., Ex. 45, Request Nos. 7, 8). For example, in request number 8, Buc-ee's requested "documents and things sufficient to establish Buck's date of first use in commerce of the term 'Bucky's.'" *Id.*

Defendants have not provided the requested discovery. Indeed, Defendants admit their limited document production only included documents that “demonstrate advertising and promotion of the convenience store products and services in 1989.” (Fink Decl., Ex. 30, at 18). In Buchanan’s deposition, Defendants produced a single accounting record for “Buchanan Standard,” (Fink Decl., Ex. 47) that tellingly failed to show the term “Bucky’s” at all. Buc-ee’s should be allowed to seek discovery and documents that would reflect use of “Bucky’s,” if any actually exists, prior to 1989, such as accounting statements, profit and loss statements, sales documents, financial documents, purchase orders, receipts, vendor records, agreements, advertisements, and promotional materials, to name a few. But Buck’s has refused to produce account records, sales or purchase records or any other documents from 1982, or any time prior to 1989, which could identify the actual date of first use and further expose Mr. Buchanan’s fraud. In addition, Ms. Mallett verified the Interrogatory Response that further supports Mr. Buchanan’s fraud, and Buck’s refused to make her available for a deposition. Buc-ee’s is entitled to obtain discovery related to Mr. Buchanan’s false statement, fraud, and intent in having Buc-ee’s rely on these statements.

Nor have the critical third parties yet provided any requested discovery. Buck’s counsel has threatened to quash the subpoena for deposition of Dennis Mailliard. (Fink Decl., Ex. 48). Buc-ee’s has requested “documents and things sufficient to establish Buck’s use in commerce of the term “Bucky’s” in 1979, 1980, 1982 and 1989,” and “the steps taken” “to confirm the accuracy of the [asserted] facts [of use]” from Buck’s counsel, (Fink Decl., Ex. 43), and has issued analogous requests regarding the assertions of use made in Buck’s trademark applications by that law firm. Both of these third parties have objected. (Fink Decl., Exs. 44, 49-50). This discovery will further support the existence of genuine issues of material fact as to whether

Buck's fraudulently induced, fraudulently misrepresented, or negligently misrepresented facts to Buc-ee's in entering the Agreement.

Because Buc-ee's has not had a sufficient opportunity to obtain the necessary discovery to fully respond to Defendants' Motion for Summary Judgment in this opposition brief, Buc-ee's requests that the Court defer consideration of Defendants' Motion for Summary Judgment until Buc-ee's has had an opportunity to perform the discovery necessary to respond.

IV. STANDARD OF REVIEW: DEFENDANTS BEAR THE BURDEN TO SHOW THERE ARE NO GENUINE DISPUTES AS TO ANY MATERIAL FACTS

Defendants must show that "there is no genuine dispute as to any material fact" and that they are "entitled to judgment as a matter of law." FED. R. CIV. P. 56(a); *see, e.g., Insty*Bit, Inc. v. Poly-Tech Indus., Inc.*, 95 F.3d 663, 666 (8th Cir. 1996). "A dispute is genuine if the evidence is such that a reasonable jury could return a verdict for either party." *Miner v. Local 373*, 513 F.3d 854, 860 (8th Cir. 2008) (citing *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986)). A "material fact" is one that "might affect the outcome of the suit under the governing law." *Anderson*, 477 U.S. at 248.

Defendants bear the initial burden of "informing the district court of the basis for its motion, and identifying whose points [of the record] which it believes demonstrates the absence of a genuine issue of material fact." *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986); *see also Tenbarge v. Ames Taping Tool Sys., Inc.*, 128 F.3d 656, 658 (8th Cir. 1997). The burden then shifts to Buc-ee's to respond with particular evidence indicating a genuine issue for trial. *Tenbarge*, 128 F.3d at 658.

The Court must view all evidence in the light most favorable to Buc-ee's, giving Buc-ee's the benefit of all reasonable inferences. *See Anderson*, 477 U.S. at 255. However, the Court

should not make credibility determinations, weigh any evidence, or try to determine the truth of the disputed issues because these are the functions of juries. *Id.*

V. ARGUMENT

Stripped to its core, Defendants' Motion hinges on their assertion that Buc-ee's somehow unconditionally released Defendants from any and all trademark infringement liability either through contract or through conduct. Defendants are wrong. Indeed, neither the Agreement nor any Buc-ee's conduct prevents Buc-ee's from stopping Defendants recent confusion-causing activity in Texas. And in any event, Defendants have simply stirred up several genuine disputes of material fact that preclude any premature summary judgment here.

A. Because the Agreement can reasonably be interpreted as forbidding Defendants' Texas activities, summary judgment on Buc-ee's Claims I-VIII is improper

Defendants argue (Mot. 21) that the Agreement between Buc-ee's and Buck's is "clear and unambiguous" and provides them with a "complete defense to claims I-VIII," such that summary judgment is warranted here. The Agreement, they claim (Mot. 24), allows Buck's to unconditionally expand into Texas using the "Bucky's" mark because the Agreement "authorized Buck's to use the BUCKY'S trademark without any geographical limitation" and because "Buc-ee's and Buck's ... promised not to sue each other so long as each other's use was kept within the defined boundaries." To arrive at this interpretation, Defendants have to purposefully ignore or cherry pick text from the Agreement. But when the Agreement is read as a whole—as it must be—it becomes clear that the Agreement can more than reasonably be read as forbidding Defendants from doing exactly what they are doing—expanding into Texas in a way that causes actual confusion there. And under that reasonable interpretation, nothing in the Agreement bars Buc-ee's from suing Defendants to stop their new infringements in Texas.

Because the evidence amply supports Buc-ee's reasonable interpretation of the Agreement, summary judgment is improper here.

1. A contract that is susceptible to more than one reasonable interpretation creates a factual issue of intent for the jury that cannot be resolved on summary judgment

“A court's primary concern in interpreting a contract is ascertaining the true intent of the parties.” *Healthplex Assocs.*, 2008 WL 4790976, at *3. If the contract is susceptible to more than one reasonable interpretation, determining the parties' actual intent is a finding of fact for the jury and cannot be resolved on summary judgment. *Corona v. First Nat. Bank of Omaha*, No. 8:12-CV-89, 2014 WL 2558327, at *3 (D. Neb. June 6, 2014) (Bataillon, J.) (“A contract is ambiguous when a word, phrase, or provision in the contract has, or is susceptible of, at least two reasonable but conflicting interpretations or meanings.”); *see also Jhaver v. Zapata Off-Shore Co.*, 903 F.2d 381, 383 (5th Cir. 1990) (“[I]f a court may interpret a contract more than one way, it is ambiguous.”); *S. Nat. Gas Co. v. Pursue Energy*, 781 F.2d 1079, 1081 (5th Cir. 1986) (district court “may not grant summary judgment when a contract is ambiguous and the parties' intent presents a genuine issue of material fact.”).

To determine whether a contract provision is susceptible to more than one reasonable interpretation, the Court must consider that provision along “with other pertinent provisions as a whole” and analyze whether the provision in question “is capable of being understood in more senses than one.” *Home Instead, Inc. v. Florance*, 721 F.3d 494, 498 (8th Cir. 2013). Here, the interacting provisions of the Agreement show that the Agreement can be, at the very least, reasonably interpreted to preclude Defendants' Texas activities.

2. The Agreement can reasonably be interpreted as forbidding Buck's expansion into geographic areas because Buck's failed to take steps to avoid causing confusion

Although the Agreement allows for the expansion of the parties' uses of their marks, it provides explicit conditions on any such expansion. As relevant here, Section 3 of the Agreement—titled, "*Limitation* on Expansion" (emphasis added)—states that Buc-ee's agreement to allow Buck's to expand into geographic territories outside Nebraska, Missouri, Iowa, and Illinois is "subject to" Buck's agreement to take "steps to avoid any likelihood of confusion":

"Subject to ... the agreement by the parties herein to take appropriate steps to avoid any likelihood of confusion, ... either party may expand into any geographical territory without objection, interference or filing of any legal action by the other party." (Aplin Decl., Ex. 1, at ¶ 3(b)).

The problem here is that, from just what Buc-ee's knows so far, Defendants' expansion activities in Texas have already spread actual confusion. (Lee Aff., Ex. 1 at 3; Lee Aff. ¶¶ 5-6; Fink Decl., Ex. 9 at 6, Exs. 11-14; Warters Aff.). Yet Buck's has taken no steps to avoid this confusion. Just the opposite: Buck's continues to press forward with building its Houston-area "Bucky's" stores despite knowing that their activities are causing and will continue to cause confusion. It is thus more than reasonable to interpret the Agreement as providing no "authorization" for Buck's expansion into Texas. Defendants conspicuously omit the "subject to ... likelihood of confusion" phrase when they offer their interpretation that allows them to use "Bucky's" anywhere, even if they cause confusion. (Br. 25, 27. and 33). They are thus interpreting the agreement to allow them to purposely cause confusion.

Buc-ee's interpretation of this expansion provision is entirely consistent with the Agreement as a whole. Indeed, the Agreement elsewhere makes clear that it is premised on the parties avoiding uses that would cause confusion. At the very beginning of the Agreement, for

example, the parties explicitly agreed that they were entering into the Agreement to avoid actual confusion and any likelihood of confusion:

In consideration of the covenants and agreements set forth herein, and in order to ... *continue to avoid any consumer confusion and any likelihood of confusion* between their respective trademarks, the parties agree as follows ... (Aplin Decl., Ex. 1, at §1).

And later in Section 8—titled “Avoidance of Consumer Confusion”—the parties further confirm their understanding that the Agreement centers on “avoid[ing] any consumer confusion”:

The parties believe that compliance with the terms and conditions of this Agreement will *avoid any consumer confusion* between the parties’ respective trademark uses. Notwithstanding the foregoing, in the event that either party encounters any instances of actual consumer confusion between the parties’ respective trademark uses, such party will promptly notify the other party and the parties will cooperate in good faith to take appropriate steps and measures to eliminate such actual confusion and to avoid any future likelihood of confusion.

(See Aplin Decl., ¶ 8, Ex. 1 at § 8; *see also*, Ex. 1 at the second to last “whereas” clause; the “therefore” clause, §§ 1, 1(a), 3(b), 8, 11).

In fact, Mr. Aplin, one of the owners of Buc-ee’s who was involved in the negotiations and signed the agreement, understood the parties’ intent in entering into the Agreement to be premised on the parties using marks in ways that did not cause actual confusion or likelihood of confusion. Indeed, the parties’ intent was *not* to enter into an agreement that allowed the parties to use the marks in ways that would create confusion or otherwise infringe. (See Aplin Dec. ¶8-10).

In sum, the Agreement at the very least can be reasonably interpreted as forbidding Defendants from expanding into Texas because Defendants are causing, and have not taken steps to avoid, actual confusion there. This precludes summary judgment here.

Importantly, moreover, Defendants' own case law confirms that if the jury accepts Buc-ee's reasonable interpretation of the Agreement, Buc-ee's would not be barred from asserting its trademark claims. In *Lawn Managers, Inc. v. Progressive Lawn Managers, Inc.*, 2017 WL 3189486, at *5 (E.D.MO. Jul. 27, 2017), for example, the court found that the defendant had a consent agreement to use its name but not to use it in a manner that would confuse customers. The court thus held that, as here, "there was never a release of claims to trademark infringement if [defendants'] logo confused consumers." *Id.*

Defendants other cases are not to the contrary. Defendants, for instance, cite *Ariel Preferred Retail Grp., LLC v. CWC Capital Asset Mgmt.*, 883 F. Supp. 2d 797, 832 (E.D. Mo. 2012), for the unremarkable proposition that "[w]here the alleged infringer has authorized use for the mark, there can be no likelihood of confusion and no violation if the alleged infringer uses the mark as authorized." But here again, the issue is not whether Buc-ee's could bar authorized use; it is whether the use is in fact authorized in the first place. And neither *Barry v. Barry* nor *Caleshu v. Merrill Lynch, Pierce, Fenner & Smith, Inc.* even relate to permitted uses or activities under an agreement. See *Barry*, 172 F.3d 1011, 1013 (8th Cir. 1999) (analyzing defendants' attempt to add new language to a settlement agreement); *Caleshu*, 737 F.Supp. 1070, 1086 (E.D. Mo. 1990) (analyzing whether the plaintiff could rescind an agreed settlement).

3. The Agreement's alleged "covenant not to sue" can be reasonably interpreted to apply only to use that is "permitted" under the agreement and which does not include Defendants' use in Texas

Defendants also point to Section 1(c) of the Agreement (Mot. 25-26) and argue that it provides a "permanent covenant not to sue which bars Buc-ee's from suing Buck's over the permitted use of its BUCKY'S trademark." But that provision, when read in tandem with Section 3(b) discussed above, can most reasonably be interpreted as being a *conditional* covenant not to sue that does not apply to Defendants' Texas activities. Indeed, Section 1 states that "Buc-ee's

agrees that ... it shall not sue or otherwise bring official action in court ... with regard to the use by Buck's of the BUCKY'S mark *as permitted in this Agreement.*" (emphasis added). Defendants conspicuously omit the words "as permitted in this Agreement" when they offer their interpretation. (Br. 12, 13). But that language is critical. Because Buck's use of "Bucky's" creates confusion and Buck's has not "take[n] appropriate steps to avoid any likelihood of confusion" (Para. 3(b)), Buck's use of "Bucky's" is not "permitted in the Agreement." Buc-ee's is thus fully entitled to "object[]," "interfere[]," or file a "legal action" under the Agreement. *See Lawn Managers*, 2017 WL 3189486, at *5 (although plaintiff consented to defendant's use of a mark, it did not follow that plaintiff consented to defendant confusing customers, and there was thus "never a release of claims to trademark infringement if [defendant's] logo confused consumers"); *A2D Techs. Inc. v. MJ Sys., Inc.*, 269 F. App'x 537, 543 (5th Cir. 2008) (held a consent to use agreement did not bar trademark claims when use of mark that was not permitted by the agreement).

Here again, then, because the alleged "covenant not to sue" provision of the Agreement can at the very least be reasonably interpreted such that it does not apply to Buc-ee's lawsuit here to stop Defendants from expanding into Texas and causing confusion there, summary judgment is inappropriate.

In sum, a jury—not this Court—will need to decide the factual issue of intent, which will ultimately resolve whether Defendants' contract defense to Claims I-VIII succeeds.

B. Defendants fail to show that Buc-ee's trademark claims are barred by equitable estoppel

Defendants' argument that equitable estoppel bars Buc-ee's Claims I-VIII also fails. Defendants' equitable-estoppel argument is really just a repackaging of their argument that the Agreement bars Buc-ee's claims. Indeed, Defendants point (Mot. 27) to the same provisions in

the Agreement—the “expansion” provision (¶ 3-(b)) and the “covenant not to sue” provision (¶ 1(c))—and argue that Buc-ee’s not only breached those provisions but that Buc-ee’s in fact had no intentions of fulfilling those provisions in the first place. But these assertions fail to show that Buc-ee’s engaged in any intentionally deceptive or misleading conduct that could possibly give rise to equitable estoppel. *See Minnesota Mining & Mfg. Co. v. Beautone Specialties, Co.*, 82 F. Supp. 2d 997, 1005–06 (D. Minn. 2000) (denying summary judgment on issue of equitable estoppel after failure to demonstrate misleading conduct)²; *see also Tesoros Trading Co. v. Tesoros Misticos, Inc.*, 10 F. Supp. 3d 701, 720 (N.D. Tex. 2014) (granting summary judgment of *no* equitable estoppel where defendant’s evidence “d[id] not establish any type of intentional deception or gross negligence.”).

First, as established above in Sections V.A.2 and V.A.3, Buc-ee’s has not breached the provisions at issue because the Agreement can be reasonably read to condition any expansion on Buck’s activities *not* causing confusion and to condition any covenant not to sue on Buck’s using the “Bucky’s” mark as properly permitted in the Agreement. And so because Buck’s use of “Bucky’s” in Texas is not permitted under the Agreement, Buc-ee’s actions in bringing this lawsuit are consistent with the provisions Defendants point to. As such, Buc-ee’s approval of those provisions cannot in any way be considered misleading and Buc-ee’s filing of this lawsuit cannot be considered a “breach” of the Agreement.

Second, Defendants fail to cite any evidence that Buc-ee’s had no intention of fulfilling its obligations under the Agreement. That is because there is none.

² Defendants represent in their motion that this District of Minnesota case is an “Eighth Circuit” case. (Mot. 26). And, this case and all of Defendants’ other cited cases find equitable estoppel is not appropriate.

Finally, putting the lack of any intentionally misleading statements aside, whether Defendants in fact relied on any such statements is a question of fact for the jury that cannot be resolved on summary judgment—especially on summary judgment this early in the case, before Buc-ee’s has had a chance to take necessary discovery. For at least these reasons, the Court should deny summary judgment that equitable estoppel bars Buc-ee’s Claims I-VIII.

C. Res judicata does not bar Buc-ee’s trademark claims

Defendants also fail to establish that res judicata (or claim preclusion) bars Buc-ee’s Claims I-VIII. Defendants appear to be arguing that the Rule 41 dismissal of Buck’s claims in the 2008 litigation and the Agreement somehow finally adjudged on the merits Buc-ee’s trademark claims in this case over Buck’s recent infringing activity in Texas. That argument is wrong and Defendants cannot establish res judicata at least because neither the Rule 41 dismissal nor the Agreement were final judgments on the merits and involved Buc-ee’s trademark claims at issue here.

1. Buck’s Rule 41 dismissal does not bar Buc-ee’s claims under res judicata

The court in the 2008 lawsuit dismissed that lawsuit under Rule 41(a)(2) upon Buck’s motion requesting dismissal of its claims. *Buck’s, Inc. v. Buc-ee’s Ltd.*, No. 8:08-519 (D. Neb. May 17, 2010), ECF No. 52 (order dismissing complaint) (*See* Fink Decl., ¶5, Ex. 3). The 2008 lawsuit included only claims that were brought by Buck’s, which alleged that Buc-ee’s had violated Buck’s rights. (Fink Decl., Ex. 18). Buc-ee’s claims here could not have been counterclaims in the prior case because the claims in the present lawsuit did not exist at the time of the dismissal of Buck’s 2008 case. Buck’s confusion causing activities that gave rise to this case did not start until several years after the dismissal. (Lee Aff., Ex. 1 at 3; Lee Aff. ¶¶ 5-6; Fink Decl., Ex. 9 at 6, Exs. 11-14; Warters Aff.). The dismissal of the 2008 case can only have

res judicata application on the claims actually brought in that litigation. Because Buc-ee's brought no claims in 2008 litigation, and because Buc-ee's trademark claims here did not exist at the time the Court dismissed the 2008 lawsuit, res judicata cannot apply to bar Buc-ee's Claims I-VIII.

2. The Agreement is not entitled to res judicata effect

The Agreement is not a final judgment on the merits involving the same claims or causes of action. First, contrary to Defendants' argument, the Agreement did not "subsume[] the parties' then current and future trademark infringement claims in favor of mutual contract commitments." (Mot. 30). Second, Defendants' activities in this case are not permitted by the agreement.

a. The Agreement is not subsumed or incorporated in the Dismissal

A settlement agreement may only be entitled to res judicata effect where the agreement is approved and embodied in a final judgment of the court, and the parties "objectively manifest an intent to cement their agreement with claim preclusion." *Liberto v. D.F. Stauffer Biscuit Co.*, 441 F.3d 318, 326 (5th Cir. 2006). A first action resolved by a settlement agreement is not res judicata as to a second action unless the parties unambiguously intended to foreclose the claim raised in the second action. *Larken, Inc. v. Wray*, 189 F.3d 729, 732–33 (8th Cir. 1999); *Oreck Direct, LLC v. Dyson, Inc.*, 560 F.3d 398, 402 (5th Cir. 2009) (settlement agreement not incorporated into the final judgment was not relevant to the res judicata analysis); *Gulf Coast Bank & Tr. Co. v. Stinson*, No. 2:11-CV-88, 2012 WL 38713, *4 (S.D. Miss. Jan. 9, 2012) (settlement agreement not a final judgment on the merits and therefore not entitled to res judicata unless the court "address[es] the substantive issues raised in the Complaint or make any legal or factual findings").

Buck's sought dismissal of its claims in the prior case under Rule 41(a)(2) and the Court entered a dismissal with prejudice. *Buck's, Inc. v. Buc-ee's Ltd.*, No. 8:08-519 (D. Neb. May 17, 2010), ECF No. 52 (order dismissing complaint) (*See* Fink Decl., Ex. 19, at ¶5). In the dismissal, the Court did not approve the Agreement or incorporate the Agreement into the final judgment. Nor could it: the parties did not submit the Agreement to the Court. Thus, the Agreement is not subsumed in the prior dismissal and entitled to res judicata effect.

Indeed, Defendants' case *Larken* confirms this. There, the parties memorialized their settlement agreement on the record. *Larken*, 189 F.3d at 731. Yet the Eighth Circuit affirmed that res judicata did not apply because the settlement agreement did not expressly specify that the claims in the second case are precluded. *Id.* at 733. Nor was there evidence that the parties intended to preclude future claims. *Id.* Here, as there, Buc-ee's and Buck's did not agree that the Agreement should be treated as if a court had decided the claims at issue here and enter a final judgment precluding future litigation.

b. Defendants' activities here are not permitted under the Agreement

As Defendants concede, the Agreement settled "all claims, theories of recovery, affirmative defenses, counterclaims and any and all other causes of action *which either party alleged or could have alleged* in either the Opposition proceeding or the Nebraska Litigation." (Mot. 30 (emphasis added)). But Buc-ee's did not "allege" and could not "have alleged" claims that did not exist at the time of the Agreement. Until recently, Buck's owned and operated "Bucky's" convenience stores and gas stations in a limited area—Nebraska, Iowa, Missouri, and Illinois. Buck's recently sought to open "Bucky's" convenience stores and gas stations in the Houston, Texas area, in close proximity to Buc-ee's. Those activities have caused actual confusion between Buc-ee's and Bucky's. Defendants' Texas activities and the actual confusion caused by Defendants' Texas activities did not exist at the time of the prior suit and thus could

not have been addressed by the prior suit. *Lundquist v. Rice Mem'l Hosp.*, 238 F.3d 975, 977 (8th Cir. 2001) (Importantly, “[c]laim preclusion . . . does not apply to claims that *did not exist* when the first suit was filed.” (emphasis added)).

The Agreement between Buc-ee’s and Buck’s confirms that the facts have changed—the Agreement itself reflects that the parties were unaware of any actual confusion and the Agreement is in fact premised on the absence of actual confusion. (See Aplin Decl., ¶ 8, Ex. 1: the second to last “whereas” clause; the “therefore” clause; the preamble to ¶ 1; ¶¶ 1(a), 3(b), 8, 11; and the consent agreement). Because this action is not based on the same nucleus of operative facts as the prior action, the Court should deny summary judgment that res judicata bars Buc-ee’s Claims I-VIII.

Nothing in the Agreement between Buc-ee’s and Buck’s precludes Buc-ee’s from affirmatively asserting its famous “Buc-ee’s” trademark against anyone including Buck’s. The Agreement did not resolve all trademark disputes between Buc-ee’s and Buck’s. And, as is clear from the forum selection provision, the Agreement expressly contemplates future litigation:

The *parties agree that any action brought by Buck’s* under this Agreement shall be adjudicated in the state and federal courts of Harris County, Texas *and any action brought by Buc-ee’s* under this agreement, shall be adjudicated in the state and federal courts located in Douglas County, Nebraska. (Aplin Decl., Ex. 1, at ¶11)

Accordingly, the dismissal of the prior action between Buc-ee’s and Buck’s did not make the Agreement or its contents a final decision on the merits. The Agreement therefore does not provide a res judicata effect on the instant litigation and the Court should deny summary judgment that res judicata bars Buc-ee’s Claims I-VIII.

D. Issue preclusion does not bar Buc-ee’s trademark claims

Defendants also fail to establish that issue preclusion (or collateral estoppel) bars Buc-ee’s Claims I-VIII. Defendants argue that issue preclusion blocks Buc-ee’s from litigating here “the issue

of whether the BUCKY’S and BUC-EE’S trademarks are confusingly similar and whether Buck’s use of the BUCKY’S trademark falsely suggests a connection between Buck’s and Buc-ee’s.” (Mot. 35). To get there, Defendants rely on statements in the Agreement and in filings at the Trademark Office that relate to a likelihood of confusion. But Defendants’ attempt to create issue preclusion from these statements fails at least because Defendants cannot identify (1) a consent judgment that could possibly give rise to issue preclusion, or (2) facts that clearly show the parties intended to foreclose any particular issues in future litigation..

1. Issue preclusion cannot apply because there is no consent judgment

Defendants concede that the ordinary elements of issue preclusion are not met here. That is because settlement agreements—like the Agreement here—generally have no issue-preclusive effect. *United States v. Brekke*, 97 F.3d 1043, 1049 (8th Cir. 1996). Indeed, factual issues are not actually litigated in a settlement agreement. *E.g.* Restatement (Second) of Judgments § 27 (1982). In an effort to sidestep this problem, Defendants attempt to rely on a narrow exception: “that a *consent judgment* has no issue-preclusion effect *unless it is clearly shown that the parties intended to foreclose a particular issue in future litigation.*” *Brekke*, 97 F.3d at 1049 (denying defendants’ motion to dismiss for issue preclusion because no issues clearly shown to be foreclosed (emphasis added)); *In re Olson*, 170 B.R. 161, 167 (Bankr. D.N.D. 1994) (the consent decree “must contain ‘far-reaching preclusive language’” for issue preclusion to apply). But Defendants’ cannot use this consent-judgment exception: there was no consent judgment here.

A consent judgment is a judgment in which a court incorporates the parties’ agreement, stipulations, or consented facts into a court order that is entered as the judgment of the court. This is very different from a settlement agreement—like the Agreement here—between private parties.

There is no prior consent judgment here. To begin with, the parties 2008 litigation was terminated under Rule 41(a)(2) and did not include a consent judgment. In particular, Buck's filed a Motion for Dismissal With Prejudice (Fink Decl., Ex. 20), and the Court issued an Order and Final Judgment granting Buck's motion for dismissal which dismissed Buck's claims against Buc-ee's with prejudice (Fink Decl., Ex. 19). That dismissal was not jointly requested by the parties, did not contain any facts or stipulations, and did not incorporate any agreements of the parties. It was thus not a consent judgment.

Nor can the Trademark Office's dismissal of Buc-ee's Opposition be considered a consent judgment. In the Opposition, Buc-ee's requested to withdraw its opposition with prejudice, (Fink Decl., Ex. 22), and the Trademark Office issued a dismissal stating: "On March 26, 2010, opposer filed a withdrawal of the opposition with prejudice. In view thereof, the opposition is dismissed with prejudice." (Fink Decl., Ex. 23) Like the Court's Rule 41 dismissal, the Opposition dismissal was not jointly requested by the parties, did not contain any facts or stipulations, and did not incorporate any agreements of the parties. So it too was not a consent judgment.³

Although Defendants point to several other documents in their motion, none is a consent judgment. First, Defendants recite paragraphs from Buc-ee's Petition in the Opposition. That

³ Defendants' cite *B&B Hardware, Inc. v. Hargis Indus., Inc.* 135 S.Ct. 1293 (2016). But that case does not transform the TTAB's Opposition dismissal into a consent judgment. The Supreme Court in *B&B* found that the TTAB's adjudication of factual issues should have preclusive effect on later litigation when the usages of the marks are the same. *Id.* at 1310. But unlike there, the TTAB here did not adjudicate any usages because the Opposition was withdrawn before the TTAB made any findings. And the Supreme Court held that "if the TTAB does not consider the marketplace usage of the parties' marks, the TTAB's decision should 'have no later preclusive effect in a suit where actual usage in the marketplace is the paramount issue.'" *Id.* at 1308 (citing 6 McCarthy § 32:101, at 32-246). At the time of the Opposition, Buck's was not using its "Bucky's" mark in Texas. So even if the TTAB's Opposition dismissal could be considered an adjudication of issues, the usages are not the same and the dismissal has no preclusive effect.

Petition, however, is not a court order and cannot be a consent judgment. Second, Defendants recite selected and incomplete portions of the Agreement. But again, the Agreement is not a court order and cannot be a consent judgment. Third, Defendants recite portions of documents filed with the Trademark Office in the Opposition—*e.g.*, Buck’s Consent to Use and Register the Buc-ee’s mark (Mot. at 38) and Buc-ee’s Request to Lift Suspension of the Buc-ee’s mark application (Mot. at 40). These documents, though, are also not court orders and cannot be a consent judgment. Because there is no consent judgment, Defendants’ issue preclusion argument based on the Agreement fails and summary judgment should be denied for this reason alone.

2. Issue preclusion cannot apply because the evidence shows that the Parties contemplated future litigation

Even if the dismissal of the 2008 litigation or the Opposition or the Agreement were consent judgments, Defendants cannot establish on summary judgment “that the parties intended to foreclose a particular issue [here, likelihood of confusion] in future litigation.” *Brekke*, 97 F.3d at 1049; *see also In re Olson*, 170 B.R. at 167.⁴ That is because, as explained above and further below, the Agreement expressly contemplates future litigation on the likelihood of confusion issue.

The parties entered into the Agreement to resolve the parties’ pending litigation and Opposition based on the parties’ *belief*—at that time—that uses of the “Buc-ee’s” mark and the

⁴ Other courts have found that even if there is a consent judgment, issue preclusion does not apply. *See e.g., United States v. Young*, 804 F.2d 116, 118-19 (8th Cir.1986) (collateral estoppel does not apply to consent judgments); *Gall v. S. Branch Nat. Bank of S. Dakota, Sioux Falls S.D.*, 783 F.2d 125, 127 (8th Cir.1986) (consent judgment or stipulation makes preclusion doctrines inapplicable); *In re Chinnery*, 181 B.R. 954, 962 (Bankr. W.D. Mo. 1995) (under Eighth Circuit law, collateral estoppel does not apply to consent judgments); *Kaspar Wire Works, Inc. v. Leco Eng’s & Mach., Inc.*, 575 F.2d 530, 539 (5th Cir. 1978) (Collateral estoppel will only apply if the consent judgment “indicated clearly the intention that the decree to be entered shall not only terminate the litigation of claims but, also, determine finally certain issues, then their intention should be effectuated.”).

“Bucky’s” mark would not cause a likelihood of confusion. (Aplin Decl., Ex. 1). That belief was expressly premised on the fact that neither party had encountered any actual confusion in the marketplace. (Aplin Decl., Ex. 1).⁵ That, of course, was premised on neither party operating in the same geographic locations: “This Agreement is made and entered into without either party entering the state of the other” (Aplin Decl., Ex. 1, at ¶ 11). Buck’s thus explicitly agreed that the different “channels of trade” in which consumers saw the competing marks prevented confusion “by the relevant consumers in the relevant channels of trade”:⁶

[T]he *channels of trade* in which the respective customers see and are presented with the respective marks *are believed by the parties . . . to be a primary factor* for creating distinct overall commercial impressions for the respective marks so that the source of the goods and services is not likely to be confused *by the relevant consumers in the relevant channels of trade*. (Aplin Decl., Ex. 1, at ¶ 1(a))

But nowhere does the Agreement foreclose—much less clearly so—future action or litigation over likelihood of confusion. Indeed, it does just the opposite. It expressly contemplates that marketplace conditions could change and confusion could result, thus requiring the parties to take action on that issue:

Notwithstanding the foregoing, *in the event that either party encounters any instances of actual consumer confusion* between the parties’ respective trademark uses, *such party will promptly notify the other party and the parties*

⁵ Indeed, any statement about a likelihood of confusion was made a decade ago and was expressly “based upon” the marks having been used for “over five years *without causing a single known instance of actual confusion*.” (*Id.* (emphasis added)). That is no longer the case. Defendants’ use of “Bucky’s” in Houston has already caused confusion. Simply put, the statements in the Agreement about a likelihood of confusion do not “reflect current views” because Buc-ee’s “now ha[s] knowledge of incidents of actual confusion” and “no longer hold[s] the same view with respect to likelihood of confusion as it did when it executed” the agreement. *See In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 1317-18 (Fed. Cir. 2003) (rejecting applicant’s attempt to rely on the trademark owner’s prior agreements with third-parties to show no likelihood of confusion).

⁶ Buck’s repeated this statement in its Consent to Use and Register.

will cooperate in good faith to take appropriate steps and measures to eliminate such actual confusion and to avoid any future likelihood of confusion.” (Aplin Decl., Ex. 1, at ¶ 8)

And it limits Buck’s to expanding into geographic territories outside Nebraska, Missouri, Iowa, and Illinois so long as Buck’s takes “steps to avoid any likelihood of confusion.” (Aplin Decl., Ex. 1., at ¶ 3(b)). Obviously, if Buck’s expansion creates confusion, as it has here, the Agreement contemplates action or other litigation. Indeed, the Agreement’s forum clause provision makes clear that such future litigation is possible:

The parties agree that any action brought by Buck’s under this Agreement shall be adjudicated in the state and federal courts of Harris County, Texas *and any action brought by Buc-ee’s* under this agreement, shall be adjudicated in the state and federal courts located in Douglas County, Nebraska. (Aplin Decl., Ex. 1, at ¶11)

In short, the Agreement establishes exactly the opposite of any intent to foreclose future litigation on the issue of actual confusion or likelihood of confusion. Taking all inferences in favor of Buc-ee’s, then, there is no clear showing of intent to foreclose future litigation. The Court should thus deny summary judgment based on issue preclusion.

E. Several genuine disputes of material fact preclude summary judgment of no fraudulent inducement, no fraudulent misrepresentation, and no negligent misrepresentation

Defendants’ brief glosses over several genuine disputes of material fact related to Defendants’ false statement of first use and Buc-ee’s reliance on that false statement. As explained below, these disputes—viewed in the light most favorable to Buc-ee’s—preclude summary judgment on Buc-ee’s three fraud-related claims.

1. The Parties' dispute over Defendants' false statements about Defendants' first-use date precludes summary judgment

Defendants do not challenge that they made a representation about a 1982 date of their first use of "Bucky's." But they dispute that their representation was false. This dispute merely raises a dispute of material fact that precludes summary judgment.

Before entering the Agreement, Buck's provided to Buc-ee's several sworn statements—including one made under penalty of perjury—identifying first use dates for their "BUCKY'S" mark in 1982 in an attempt to predate Buc-ee's July 1982 first use date of "BUC-EE'S":

- Verified responses to interrogatories in the Opposition, asserting Buck's "began offering goods or services under the mark of BUCKY'S prior to 1982." (Fink Decl., Ex. 25);
- Buck's prior complaint asserting that "Bucky's made first use of the BUCKY's trademark in interstate commerce at least as early as May of 1982 at a retail store location in Omaha, Nebraska." (Fink Decl., Ex. 18, at ¶ 3); and
- Buchanan declaring under penalty of perjury that he "first began operating Bucky's Amoco on or before May 19, 1982" and that he used the mark "Bucky's" "since at least as early as May 19, 1982." (Fink Decl., Ex. 26, at ¶¶ 1, 8).

But those statements, including Mr. Buchanan's statement made under penalty of perjury, were knowingly or recklessly fraudulent and material misrepresentations. Indeed, Buck's has since claimed in verified Interrogatory responses in this case that because "Mr. Steve Buchanan was often times referred to by his name of Bucky by relatives, friends, employees and customers," "[i]t was this nickname which ultimately resulted in Buck's adoption and use of the mark BUCKY'S for the convenience store location at 30th & Dodge" (Fink Decl., Ex. 30, at 12), and "Buck's adopted and used the mark BUCKY'S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location *starting some time in 1989.*" (*Id.*, at 18 (emphasis added); see also *Id.*, at 9 (emphasis added)). And Defendants' responses also confirm that "[s]ince at least as early as 1979, the names 'Buchanan's Standard Service', 'Buchanan's Service Center' and other

derivatives using Mr. Buchanan's surname BUCHANAN were used at the 5001 Dodge Street location." (*Id.*, at 12). Yet Defendants now do another about face and dispute making any false statement about their date of first use, claiming that because "the mark BUCKY'S was used in connection with the 50th & Dodge location as early as 1979 and 1980," "Buc-ee's claim that the representation was false is demonstrably wrong." (Def. Br. at 36 n.4; Fink Decl., Ex. 29,).

Defendants have thus plainly raised a dispute of material fact as to whether Mr. Buchanan made a false representation about the alleged 1982 first use date and whether he did so recklessly or knowingly. And that dispute precludes summary judgment here, especially considering Defendants have not yet given Buc-ee's any meaningful documentary discovery related to their first use.

2. The Parties' dispute over whether Buc-ee's relied on Defendants' first-use-date misrepresentation precludes summary judgment

Defendants do not challenge that they intended for Buc-ee's to rely on their assertion that 1982 was their first use date. They instead focus on whether Buc-ee's relied on Defendants' false representation of first use, and conclude that there are no disputed facts as to that issue, and that summary judgment is thus warranted. But that is simply not true.

The circumstances and timing of the 2008 lawsuit alone establish a genuine dispute as to the material fact of whether Buc-ee's relied on Defendants' first-use-date misrepresentation. In 2006, Defendants filed a trademark application for BUCKY's and alleged a first-use date of "at least as early as 1989." (Fink Decl., Ex. 24). Based on this representation, Buc-ee's filed an Opposition in the Trademark Office asserting that Buc-ee's had priority with a July 1982 first-use date of "Buc-ee's." (Fink Decl., Ex. 21). In the Opposition proceeding, to establish a first use date before Buc-ee's first use, Buck's served a verified interrogatory response that stated that Buck's first use in commerce was "as early as May of 1982." (Fink Decl., Ex. 25). Buck's then

sued Buc-ee's in December 2008, and again asserted that Defendants' first use was "at least as early of 1982." (Fink Decl., Ex. 18). Buc-ee's took many steps to verify Buck's asserted May 1982 date. For example, Defendants spend several pages detailing these steps. (Br. 35-42). As a result of this discovery, in March 2009, Mr. Buchanan further declared under penalty of perjury that he "first began operating Bucky's Amoco on or before May 19, 1982" and that he used the mark "Bucky's" "since at least as early as May 19, 1982." (Fink Decl., Ex. 26). Thereafter, the parties executed the Agreement resolving the 2008 lawsuit. (Aplin Decl., Ex. 1).

Defendants conclude from all this that Buc-ee's did not "believe" the several 1982 representations and thus could not have relied on them for the Agreement. But the jury could and should easily reach the opposite conclusion: that Buc-ee's did reasonably rely on Defendants' misrepresentation. Indeed, Buc-ee's filed its opposition based on the belief that its first use predated Defendants'. But when Buc-ee's first learned of the May 1982 date, Buc-ee's pivoted, and took steps to verify that date—serving interrogatories, reviewing interrogatory responses and serving third party discovery. But then Buc-ee's received Buchanan's 1982 representation, and settlement followed thereafter.

That is because Buc-ee's had good reason to rely on Buchanan's May 1982 misrepresentation in deciding to execute the Agreement. Buchanan's 1982 representation was made under penalty of perjury. And as the "Bucky's" user, Buchanan had "superior," "special" knowledge of the first-use facts and those facts were "not equally available" to Buc-ee's. *Matis v. Golden*, 228 S.W.3d 301, 307 (Tex. App. 2007); *see also deNourie & Yost Homes, LLC v. Frost*, 289 Neb. 136, 153 (2014) (absent notice that a representation may be false "a person may generally rely on the truth of another's representation").

What's more, because Buck's professed May 1982 date predated Buc-ee's July 1982 date, it fueled Buc-ee's willingness to resolve the parties' dispute. Indeed, Defendants' date of first use is not some ancillary fact; it is a fundamental fact in determining which party has trademark priority. *Hana Fin., Inc. v. Hana Bank*, 135 S.Ct. 907, 909 (2015) ("Rights in a trademark are determined by the date of the mark's first use in commerce. The party who first uses a mark in commerce is said to have priority over other users."). Whether Defendants' first use was 1989 or May 1982, then, was determinative of trademark priority. *See id.*; 2 McCarthy on Trademarks and Unfair Competition § 16:18 (5th ed.) ("Priority goes to the first user"). Buc-ee's decision to execute the Agreement after Defendants' 1982 misrepresentation was thus not a coincidence; but for this misrepresentation, Buc-ee's would never have settled on the terms in the Agreement. As the party with trademark priority, there would have been no need.

Defendants' various arguments fail to show that there is anything less than a genuine dispute over this material fact of Buc-ee's "reliance." Defendants first argue (Def. Br. at 37-38) that, because Buc-ee's served discovery in the Opposition and in the 2008 lawsuit about the 1982 alleged first-use date, Buc-ee's must not have relied on any 1982 representation. But that conclusion does not remotely follow. For one thing, that Buc-ee's served routine discovery in adversarial proceedings asking about the opposing party's assertion says nothing about whether Buc-ee's relied on the 1982 date. For another thing, again, Buchanan's declaration reaffirming this misrepresentation under penalty of perjury came after the discovery in question.

Defendants next argue (Br. 39) that Buc-ee's decision to enter negotiations had "everything to do with [Buc-ee's] decision to avoid litigating a trademark infringement case in the State of Nebraska." But that is an issue for the jury. And even if that were true, it would not mean that Buc-ee's somehow did not also substantially rely on the first-use misrepresentation.

That is all that matters here. *See* Restatement (Second) of Contracts § 167 (1981) (“It is not necessary that this reliance [on the misrepresentation] have been the sole or even the predominant factor in influencing [a party’s] conduct.”); *InterCall, Inc. v. Egenera, Inc.*, 284 Neb. 801, 809 (2012) (a misrepresentation “induces a party’s manifestation of assent if it substantially contributes to [the party’s] decision to manifest his [or her] assent.”).

Defendants also argue that the Agreement itself shows that Buc-ee’s did not rely on the May 1982 date because it states that both marks had been used “since as early as 1989.” (Aplin Decl., Ex. 1). But Defendants fail to explain how this is inconsistent with the May 1982 date—which is “at least as early as 1989,” the date used in Buck’s original trademark application. Nor do Defendants explain how the May 1982 date is not “at least as early as 1989” or how this shows that Buc-ee’s somehow did not rely on the May 1982 misrepresentation in deciding to negotiate the Agreement.

Finally, Defendants spill much ink (Br. 41-42) trying to conjure up an alleged inconsistency that purportedly shows that Buc-ee’s either “lied” when it executed the Agreement or is “lying now” about reliance on Buchanan’s 1982 misrepresentation. In particular, Defendants contend (Br. 41) that because Buc-ee’s made statements about there being no likelihood of confusion in the Agreement, it would be “absurd”—indeed, a lie—for Buc-ee’s to claim that it relied on the 1982 date. This is because, as Defendants’ argument goes, “it would not matter whether Buc-ee’s [sic]⁷ 1982 date of first use was accurate” if there was no confusion in the first place. (Br. 41). But this is nothing more than misdirection and conjecture as evidenced by Defendants concocting a fictional story to support their theory that even they characterize as an “absurd narrative.” Despite Defendants’ best efforts to cast Buc-ee’s as a liar,

⁷ Buc-ee’s assumes Defendants intended this to be “Buck’s 1982 date”.

no inconsistency exists. As explained above, but for Defendants' misrepresentation, including Buchanan's declaration under penalty of perjury reaffirming the 1982 date, Buc-ee's would not have entered the Agreement. At the same time, after deciding to attempt to resolve their disputes through settlement, there was nothing remarkable about the parties stating in the Agreement that, as things stood at that time (with Buc-ee's operating in Texas, and Defendants in four Midwest states), they believed there was no likelihood of confusion and providing for what happens if a likelihood of confusion should arise in the future. These are not inconsistent positions.

Because there is a genuine dispute as to material facts, and because inferences must be weighed in favor of Buc-ee's, Defendants' Motion should be denied as to these claims. *QA3 Fin. Corp. v. Fin. Network Inv. Corp.*, No. 8:12-CV-5, 2014 WL 2858413, at *6 (D. Neb. June 23, 2014) (Bataillon, J.) (denying summary judgment on misrepresentation claims because there were "genuine issues of material fact with respect to the existence, timing, extent and effect of [statements made during negotiations] and the undisclosed information").

3. The "entire agreement" clause does not preclude Buc-ee's fraud claims

Defendants also argue that Paragraph 14 of the Agreement—entitled "Entire Agreement"—sinks Buc-ee's reliance claim. Not true. To begin with, Defendants "cannot contract away [their] liability for fraud." *Cornhusker Energy Lexington, LLC v. Prospect St. Ventures*, No. 8:04CV586, 2006 WL 2620985, at *9 (D. Neb. Sept. 12, 2006); *see also BLB Aviation S.C., LLC v. Jet Linx Aviation Corp.*, No. 8:10CV42, 2011 WL 2560144, at *3 (D. Neb. June 28, 2011) ("A merger clause or disclaimer in a contract is ineffective to preclude a trier of fact from considering whether fraud induced formation of the bargain.").

And in any event, the "Entire Agreement" clause's statement that "[n]o inducements, representations or promises have been made, other than those recited in this Agreement," (Aplin

Decl., Ex. 1 at ¶ 14), does not include an accompanying disclaimer on *reliance*. It thus cannot negate the current fraud claim. See *Italian Cowboy Partners, Ltd. v. Prudential Ins. Co. of Am.*, 341 S.W.3d 323, 331 (Tex. 2011) (merger clause lacking express statement that no reliance was made on any representations outside the agreement, did not negate fraudulent inducement).

4. The statute of limitations does not bar Buc-ee's fraud claims

Defendants' statute of limitations argument fails for two reasons. First, determining when Buc-ee's discovered Buck's fraud is an issue for the jury, not the Court. Second, the evidence establishes that Buc-ee's was unaware of Buck's fraud until 2017, well within the four-year statute of limitations.

Defendants agree that the statute of limitations does not begin until the fraud is discovered. (Br. 43 (“the cause of action is not deemed to have accrued until discovery of the fraud;” “An action for relief on the ground of fraud must be commenced within four years after the discovery of the facts constituting the fraud, or of facts sufficient to put a person of ordinary intelligence and prudence on an inquiry which, if pursued, would lead to such discovery”)); see also *Nebraska Plastics, Inc. v. Holland Colors Am., Inc.*, No. 4:01CV603, 2003 WL 22519410, at *11 (D. Neb. Nov. 7, 2003). Determining when a fraud was discovered, or when a person of ordinary intelligence and prudence has sufficient facts to prompt discovery of fraud, is a question of fact for the jury, not the Court, and should not be resolved on summary judgment. *Hines v. A.O. Smith Harvestore Prods., Inc.*, 880 F.2d 995, 999 (8th Cir. 1989) (reversing summary judgment that a claim was time-barred because “normally in a statute of limitations context fraudulent concealment and a plaintiff's due diligence are questions of fact unsuited for summary judgment”) (citing *Givens v. A.H. Robins Co.*, 751 F.2d 261, 264 (8th Cir. 1984)); *Neco, Inc. v. Larry Price & Assocs., Inc.*, 257 Neb. 323, 332 (Neb. 1999) (“The time of the discovery of a fraud is a question of fact and is to be determined, as are other disputed questions of fact, by the

jury.”); *Ruebeck v. Hunt*, 176 S.W.2d 738, 740 (Tex. 1943) (“Ordinarily, what constitutes reasonable diligence to discover fraud is a question of fact for the jury.”). For this reason alone, Defendants’ Motion should be denied.

But even if this issue were appropriate for summary judgment, Defendants fail to establish the absence of a genuine dispute of material fact over when Buc-ee’s discovered, or had sufficient facts to discover, Defendants’ fraud. Defendants instead rely on a series of speculative statements that are divorced from the evidence, such as “potential discrepancy,” “presumably to probe,” and “who no doubt realized.” (Br. 43-45). Such speculation cannot support summary judgment especially given that all inferences must be weighed in Buc-ee’s favor.

Looking to the evidence, Buc-ee’s did not discover, and indeed could not have discovered, the fraud until 2017. That is because other than the date in Buck’s trademark application—which was consistent with an earlier date of first use—Buck’s proffered dates of first use all referenced 1982. When Buck’s filed Trademark Application Serial No. 76/653,211, Buck’s did not identify a date certain of its first use of “Bucky’s,” but instead identified that its date of first use was “*at least as early as* 1989,” meaning the first use date could have been 1989 or any date earlier than 1989. (Fink Decl., Ex. 24(emphasis added)). But every date Buck’s subsequently provided identified first use dates in 1982:

- In verified responses to interrogatories in the 2008 Opposition, Buck’s asserted “it began offering goods or services under the mark of BUCKY’S prior to 1982.” (Fink Decl., Ex. 25).
- Buck’s then filed a complaint in the prior 2008 litigation asserting that “Bucky’s made first use of the BUCKY’s trademark in interstate commerce at least as early as May of 1982 at a retail store location in Omaha, Nebraska.” (Fink Decl., Ex. 18, at ¶ 3).
- To prove that Buck’s was the senior user and its use predated Buc-ee’s use, Buchanan, the owner of Buck’s, declared under penalty of perjury on March 4, 2009 that he “first began operating Bucky’s Amoco on or before May 19, 1982 at 50th and Dodge Streets in Omaha, Nebraska” and that he used the mark “Bucky’s” “since at least as early as May 19, 1982.” (Fink Decl., Ex. 26, at ¶¶ 1, 8).

It was not until 2017 that Buc-ee's first learned that the repeated alleged 1982 dates were false and that the statement "at least as early as 1989" in Buck's trademark application actually meant "in 1989." Indeed, Buc-ee's learned that Buck's and Buchanan misrepresented their date of first use when Buck's represented the following in verified interrogatory responses served June 13, 2017:

Without in any way waiving Buck's objections, both specific and general, Buck's owned and operated a traditional automobile service station at its first location at 50th & Dodge. The exact date of first use of the mark BUCKY'S is not known, but at least as early as December 31, 1989, which is why Buck's stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck's adopted the mark BUCKY'S for convenience stores services at its Amoco location at 30th & Dodge. (Fink Decl., Ex. 30, at 9, 12).

In those same verified responses, Defendants explained that "Buck's adopted and used the mark BUCKY'S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location *starting some time in 1989*," that "[t]he use of the BUCKY'S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY'S," and that earlier uses did not use this mark as "[s]ince at least as early as 1979, the names 'Buchanan's Standard Service', 'Buchanan's Service Center' and other derivatives using Mr. Buchanan's surname BUCHANAN were used at the 5001 Dodge Street location." (*Id.* at 18-19 (emphasis added)).

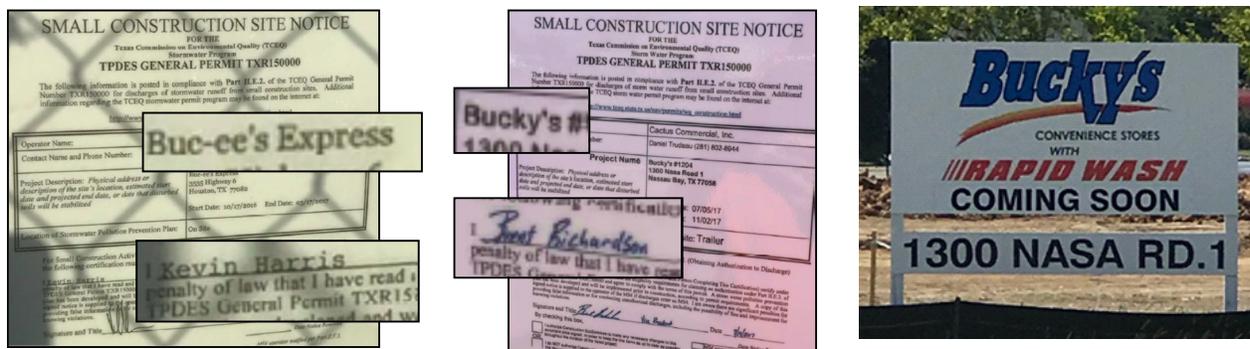
The evidence thus shows that Buc-ee's did not discover Buck's fraud until 2017, and, at a minimum, was not in possession of facts sufficient to allow a person of ordinary intelligence to discover the fraud before 2017. Defendants' Motion based on the statute of limitations should be denied.

F. Genuine disputes of material fact preclude summary judgment of no breach of the Agreement

There are two separate bases for Buc-ee's breach of contract claim (Claim XII). First, Defendants breached the Agreement by using Buc-ee's mark. Second, Defendants breached the Agreement by failing to inform Buc-ee's after learning of actual confusion. Yet Defendants ignore the first basis altogether and admit that they ignore the evidence supporting the second basis. With the full benefit of these additional facts before the Court below, and with all inferences weighed Buc-ee's favor, the Court should deny summary judgment of no breach of contract.

1. Defendants' brief is silent on the evidence relating to Defendants' use of Buc-ee's mark in violation of the Agreement

Defendants do not address Buc-ee's first basis for its breach of contract claim—that Defendants used Buc-ee's mark in violation of the Agreement. In the Agreement, "Buck's agree[d] that it shall not use the trademark or service mark BUC-EE'S or any trademark or service mark that contains the word BUC-EE'S in connection with retail store services featuring convenience store items, gasoline, and any related goods or services in the United States." (Aplin Decl., Ex. 1, at ¶ 8). But in connection with opening Bucky's stores in the Houston area, Defendants used the BUC-EE'S mark at the various sites. In particular, Defendants' general contractor in Houston, Cactus Commercial, put up construction notices using the terms "Buc-ee's" and "Bucky's," as well as a large sign advertising that "Bucky's" is "Coming Soon," as shown below. (Fink Decl., Ex. 16):



For these reasons alone, and weighing these facts and inferences in the light most favorable to Buc-ee's, the Court should deny summary judgment of no breach the Agreement.

2. Defendants admit they ignore record evidence showing their knowledge of actual confusion

Defendants also fail to address the evidence supporting Buc-ee's second basis for its breach of contract claim—that Defendants were aware of actual confusion occurring at various public and city council development meetings but failed to notify Buc-ee's of the confusion as required by the Agreement.⁸

The plain language of the Agreement requires that “in the event that either party encounters *any instances of actual consumer confusion* between the parties' respective trademark uses, such party will promptly notify the other party and the parties will cooperate in good faith to take appropriate steps and measures to eliminate such actual confusion and to avoid any further likelihood of confusion.” (Br. 45; Aplin Decl., Ex. 1, at ¶ 8). Defendants admit that Buc-ee's has identified evidence of actual confusion for which Buck's did not notify Buc-ee's. (Br. 47). But Defendants expressly ignore this record evidence, not because those facts are immaterial, but because they did not want to “add to the length of [their] already voluminous

⁸ Defendants spend four pages (Br. 46-50) attacking Buc-ee's evidence of actual confusion and likelihood of confusion that Buc-ee's has discovered since this dispute arose. Defendants' arguments are wrong. But because that evidence does not form the basis of Buc-ee's breach of contract claim, it is wholly immaterial to Defendants' Motion and need not be addressed here.

brief” and instead would “leave it to Buc-ee’s to produce evidence on these points.” (Br. 47). Then, Defendants dismiss Buc-ee’s evidence by waiving their hands and saying: “[s]uffice it to say that the comments at issue were mere inquiries which do not constitute instance of actual confusion.” (Br. 47). But as the party seeking summary judgment, Defendants—not Buc-ee’s—bear the burden of addressing that evidence. Their failure to do so alone dooms their Motion for Summary Judgment of no breach of contract: the evidence Defendants ignore establishes that there are significant genuine disputes of material fact that preclude summary judgment.

In 2015, Buck’s created a self-professed “shell” company BSD⁹ and hired Richardson as BSD’s only member to open “Bucky’s” stores in the Houston, Texas area—where Buc-ee’s is headquartered. (Fink Decl., Ex. 6). Buck’s, BSD, and Richardson began the process of opening these “Bucky’s” stores. Richardson, acting as BSD’s President, presented to City Councils in Houston. In doing so, he discussed that “BSD is proposing to build a convenience store with gasoline pumps”—including at least one with a 20-car fueling area and car wash displaying the name “Bucky’s”—and he provided, among other things, “a brief history about Bucky’s” and “photos of other Bucky’s locations, proposed landscaping, exterior building elevation, and proposed hotel.” (Fink Decl., Ex. 8, at 9, 16-24; Ex. 9 at 6; Ex. 10 at 2, 16-24).

These activities immediately caused confusion about “Bucky’s” association with Buc-ee’s, as reflected in meeting minutes related to several city council meetings. For example, at one city council meeting, actual confusion over Buc-ee’s affiliation with Bucky’s was so prevalent that the Mayor Pro Tem was forced to address it, “ask[ing] those in attendance to pass on to their neighbors that the Bucky’s that will be coming to our community is not the same Bucee’s [sic] that everyone is thinking about.” (Fink Decl., Ex. 11 at 4; Mossman Aff. ¶¶ 5-6). At another

⁹ In the Texas Action, Defendant Steven Buchanan freely declared BSD was a “shell” company created to hide Buck’s identity. (Fink Decl., Ex. 7 at ¶ 10).

meeting, “Councilmember Warters inquired as to the relation between [Bucky’s] and Buc-ee’s.” (Fink Decl., Ex. 9 at 6; Warters Aff.). At yet another meeting, a community resident asked if the store coming to Nassau Bay, Texas would be like the Buc-ee’s brand. (Lee Aff., Ex. 1 at 3; Lee Aff. ¶¶ 5-6). Defendants had access to these meeting minutes as part of their development activities, and during at least one of the meetings, had a representative present at the meeting who responded to the confused resident by letting her know that the “Bucky’s” brand was different than the “Buc-ee’s” brand. (*Id.*). These examples show actual confusion and at a minimum—with inferences weighed in Buc-ee’s favor—raise serious disputed material questions of fact about Defendants’ knowledge of examples of actual confusion.

Defendants’ conclusory dismissal of these examples of confusion as “mere inquiries which do not constitute instances of actual confusion” fails. (Br. 47). Indeed, inquiries about the connection between two marks can be actual confusion. *Fuji Photo Film Co., Inc. v. Shinohara Shoji Kabushiki Kaisha*, 754 F.2d 591, 593-94 (5th Cir. 1985) (finding evidence of actual confusion where visitors “inquired about the connection between the two [marks.]”). And the Court can consider even a single instance of actual confusion. For starters, the Agreement requires Defendants to report of “any instance” of actual consumer confusion. But even setting aside the Agreement, the “[t]estimony of a single known incident of actual confusion by a consumer has been found to be sufficient evidence to support the district court’s finding of actual confusion.” *Streamline Prod. Sys., Inc. v. Streamline Mfg, Inc.*, 851 F.3d 440, 457 (5th Cir. 2017).

This evidence is material to Buc-ee’s breach of contract claim and it must, along with all reasonable inferences, be viewed in the light most favorable to Buc-ee’s. *Anderson v. Liberty*

Lobby, Inc., 477 U.S. 242, 255 (1986). The Court should thus deny Defendants' motion for summary judgment of no breach of contract.

3. Defendants' remaining breach-of-contract arguments do not resolve and are unrelated to the genuine issues of material fact that preclude summary judgment here

Defendants raise a number of other issues in Section I of their brief about Buc-ee's breach of contract Claim XII. But none resolve the factual questions above or affect whether the Court should grant summary judgment on Buc-ee's breach of contract claim.

First, Defendants allege that Buc-ee's somehow breached the Agreement. (Br. 45-46). But Defendants have not asserted any claim or counterclaim for breach of contract. Nor can they. The Agreement does not define notice, and Buc-ee's provided notice of the actual confusion Defendants' have caused when it filed this lawsuit. And whether Buc-ee's breached or did not breach the contract has nothing to do with the issue at hand—whether Defendants violated the Agreement by failing to inform Buc-ee's of the actual confusion Defendants were aware of prior to Buc-ee's filing this case.

Second, Defendants argue that the “sole remedy” for any breach of the Agreement is “enforcement of the parties' mutual obligations under the Co-Existence Agreement to ‘cooperate in good faith to take appropriate steps and measures to eliminate such actual confusion.’” (Br. 45). But Defendants did not “promptly notify” Buc-ee's of the actual confusion. So the parties had no chance to cooperate in good faith to eliminate confusion. And “cooperating in good faith” is not a “remedy” for Defendants' breach; it is merely a step to take to resolve the confusion the Defendants should have raised. Indeed, the Agreement expressly contemplates litigation as the remedy for breach of contract claims. (Aplin Decl., Ex. 1, at 4, ¶ 11).

G. The Court should deny Defendants' request to award Defendants attorney fees under 15 U.S.C. § 1117

Defendants ask the Court to “determine that this is an exceptional case under 15 U.S.C. § 1117 and award Defendants their remedies pursuant to the Lanham Act.” (Def. Mot. at 1 (ECF No. 86)). Yet in the memo and brief in support of the memo, Defendants provide no evidence to support that this is an exceptional case warranting an award of attorney fees to Defendants. “[A]n ‘exceptional’ case is simply one that stands out from others with respect to the substantive strength of a party’s litigating position (considering both the governing law and the facts of the case) or the unreasonable manner in which the case was litigated.” *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 134 S. Ct. 1749, 1756 (2014). To find a case exceptional such that the Court should award attorney fees to Defendants, the Court must consider the totality of the circumstances, *id.*, and the case must be “one in which a plaintiff brought an action that was groundless, unreasonable, vexatious, or was pursued in bad faith.” *Lovely Skin, Inc. v. Ishtar Skin Care Prod., LLC*, No. 8:10-CV-87, 2012 WL 6680394, at *2 (D. Neb. Dec 21, 2012). Indeed, “the mere fact that plaintiff did not prevail is not a sufficient basis for a finding that this is an exceptional case.” *Id.* *2 (finding a case was not exceptional because plaintiff “believed that its pursuit of litigation was a reasonable business decision to protect what it assumed were validly registered marks”). A higher showing is required.

Here, Defendants have not pointed to anything in the record to show that Buc-ee’s brought this case in bad faith or knew its claims were groundless, unreasonable, or vexatious. Nor can they. Even if Defendants prevail on summary judgment, pursuit of this litigation was a reasonable business decision to protect Buc-ee’s trademark rights. *See id.* Because Defendants have not cited any facts or made any argument to support their request to find this an exceptional case to award Defendants attorney fees, the Court must deny Defendants’ request.

VI. BUC-EE'S RESPONSES TO DEFENDANTS' STATEMENT OF ALLEGED MATERIAL FACTS¹⁰

1. Steve Buchanan ("Mr. Buchanan") is an individual who was born and raised in Omaha, Nebraska. (Buchanan Decl. para 2) Mr. Buchanan is an auto mechanic and in 1979 became the owner of an Amoco gas station at the corner of 50th and Dodge Streets in Omaha, Nebraska. (Id.) Mr. Buchanan's nickname was at that time, and is today, "Bucky". (Id.)

Response: Immaterial. Without sufficient discovery and therefore controverted.

2. After acquiring the 50th and Dodge location, Mr. Buchanan used part of the building as a convenience store and the other part was remodeled to a repair facility. The repair facility was known as BUCHANAN SERVICE and the convenience store was known as BUCKY'S. (Passarelli Decl., Ex. 38) Beginning in 1979, Mr. Buchanan used the BUCKY'S trademark on handwritten fliers, specials, tags, promos and cooler marks. (Id.)

Response: Controverted and without sufficient discovery. (Fink Decl., Ex. 30, at 9, 12,

18-19) (Bucks' verified interrogatory response stating:

- "[t]he exact date of first use of the mark BUCKY'S is not known, but at least as early as December 31, 1989, which is why Buck's stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck's adopted the mark BUCKY'S for convenience stores services at its Amoco location at 30th & Dodge.";
 - "Buck's adopted and used the mark BUCKY'S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.";
 - "The use of the BUCKY'S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY'S."; and
 - "Since at least as early as 1979, the names 'Buchanan's Standard Service', 'Buchanan's Service Center' and other derivatives using Mr. Buchanan's surname BUCHANAN were used at the 5001 Dodge Street location.").
3. In 1980, Mr. Buchanan retained the services of Dennis Maillard ("Mr. Maillard") who ran a marketing and advertising consulting business in Omaha, Nebraska, to develop a logo design for the mark BUCKY'S. (Id.) In June of 1980, Mr. Maillard developed the stylized logo design for BUCKY'S which is virtually identical to the stylized BUCKY'S logo currently used by Buck's in connection with convenience stores operated in

¹⁰ This response maintains the numbering Defendants used in their statement of alleged material facts. (Br. at 2-19).

Nebraska, Iowa, Illinois and Missouri. (Buchanan Decl., para 5) Also in 1980, Mr. Buchanan began using the logo design created by Mr. Maillard on direct mail pieces sent to consumers, point of purchase materials, store tags, shelf tags and cooler tags. (Passarelli Decl., Ex. 38)

Response: Controverted and without sufficient discovery. (Fink Decl., Ex. 30, at 9, 12,

18-19) (Bucks' verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
 - “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
 - “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and
 - “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).
4. At some time on or before June 13, 2008, Mr. Maillard provided an undated letter confirming that he created the BUCKY’S logo. The letter states:

RE: Bucky’s logo.

To Whom It May Concern:

My principle business is advertising. I was responsible for the logo design of “Bucky’s” as shown on the enclosure. This design was developed in June 1980. The logo was used in advertising mailers and for store identification.

Dennis Maillard

Enclosure: Bucky’s logo design

(Id., para 8, Ex. 1)

Response: Controverted and without sufficient discovery, including from Defendants and Mr. Maillard. (Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks' verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
- “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
- “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and
- “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).

5. Mr. Buchanan used the logo in advertising mailers and for store identification in 1980 and thereafter. (Id., para 5 and Ex. 1)

Response: Controverted and without sufficient discovery. (Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks' verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
- “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
- “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and

- “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).

6. In 1989, Buck’s began operating a convenience store under the name BUCKY’S at 30th and Dodge Streets in Omaha, Nebraska. The convenience store at 30th and Dodge was different than the full service gas station at 50th and Dodge in that it was a full sized convenience store and it did not offer auto repair services. (Id., para 6)

Response: Without sufficient discovery, therefore controverted.

7. On January 4, 2006, Buck’s filed Application Serial No. 76653211 with the United States Patent and Trademark Office (“USPTO”) to register the trademark BUCKY’S for use in connection with “retail store services featuring convenience store items and gasoline”. (Passarelli Decl., para 3, Ex. 1) The application sought to register the word mark BUCKY’S for “retail store services featuring convenience store items and gasoline.” The application stated “the service mark was first used at least as early as 1989; was first used in interstate commerce at least as early as 1989; and is now used in such commerce.” (Emphasis added). (Id.)

Response: Uncontroverted.

8. On April 4, 2006, Buc-ee’s filed Application Serial No. 78853252 with the USPTO to register the trademark BUC-EE’S for use in connection with “retail store services featuring convenience store items and gasoline”. (Id., para 4, Ex. 2) The application stated that the mark was first used at least as early as July 1, 1982, and first used in interstate commerce at least as early as July 1, 1982. (Id.)

Response: Uncontroverted.

9. On September 15, 2006, the USPTO issued a Notice of Suspension in connection with the BUC-EE’S trademark application, suspending further action on the application until final disposition of the previously filed BUCKY’S trademark application. (Id., para 5, Ex. 3) Thus, the USPTO was going to proceed with reviewing Buck’s trademark application and registering its BUCKY’S trademark while Buc-ee’s application remained suspended. (Id.)

Response: Uncontroverted that the USPTO issued a Notice of Suspension on September 15, 2006. Otherwise, controverted, including as to the characterization of the document and how the USPTO was going to proceed, as the document speaks for itself. Passarelli Decl., Ex. 3.

10. The USPTO published the BUCKY’S application for opposition on February 13, 2007. After requesting and receiving extensions of time to oppose, Buc-ee’s filed a Notice of Opposition against the BUCKY’S application with the Trademark Trial and Appeal Board (“TTAB”) on June 13, 2007 (the “Opposition Proceeding”). (Id., para 6, Ex. 4)

Response: Uncontroverted that the USPTO published the BUCKY'S application for opposition on February 13, 2007 and that Buc-ee's filed a Notice of Opposition on June 13, 2007. Otherwise, controverted, including as to the characterizations of the documents and docket, as the document and docket speak for themselves. Passarelli Decl., Ex. 4.

11. The Notice of Opposition formally announced Buc-ee's claim to trademark rights with respect to its trademark BUC-EE'S, and challenged Buck's application to register its trademark BUCKY'S for "retail store services featuring convenience store items and gasoline". The Notice of Opposition incorporated allegations that registration of the BUCKY'S mark "will falsely suggest a connection between Applicant and Opposer", that Buc-ee's "has priority of use", and that "Applicant's mark BUCKY'S so resembles Opposer's mark BUC-EE'S as to be likely, when applied to the goods and/or services of the Opposer, to cause confusion." (Id., para 7, Ex. 4)

Response: Uncontroverted that Buc-ee's filed a Notice of Opposition. Otherwise, controverted, including as to the characterizations of the Notice of Opposition, as the document speaks for itself. Passarelli Decl., Ex. 4.

12. The Omaha law firm McGrath North briefly represented Buck's in the Opposition Proceeding. (Id. para 8) Buc ee's was represented by the law firm of Osha Liang LLP, a very well respected law firm based in Houston, Texas, that specialized in intellectual property matters, including trademark registrations, USPTO proceedings and litigation involving trademark infringement. (Id.)

Response: Immaterial. Uncontroverted that Buc-ee's was represented in the Opposition Proceeding by Osha Liang LLP and Buck's was represented by McGrath North. Without sufficient discovery for the remaining immaterial allegations, and therefore controverted.

13. On June 13, 2008, Christopher Bikus ("Mr. Bikus"), of McGrath North, sent a letter to Buc-ee's counsel Brian Wunder ("Mr. Wunder"), of Osha Liang, enclosing Mr. Maillard's "To Whom It May Concern" letter. (Id. para 9, Ex. 5)

Response: Uncontroverted as to the existence of the letter from Mr. Bikus to Mr. Wunder dated June 13, 2008. Otherwise, without sufficient discovery and controverted, including as to the characterizations of the documents, as the documents speak for themselves. Passarelli Decl., Ex. 5.

14. On June 20, 2008, Mr. Wunder sent Mr. Bikus a letter disputing the veracity of Mr. Maillard's letter but nonetheless proposing a settlement pursuant to which each party would pursue concurrent use registrations of their respective trademarks, effectively giving the states of Nebraska, Iowa and Missouri to Buck's and the rest of the country to Buc-ee's. (Id. para 10, Ex. 6)

Response: Uncontroverted as to the existence of a letter from Mr. Wunder to Mr. Bikus dated June 20, 2008. Otherwise, without sufficient discovery and controverted, including as to the characterizations of the document, as the document speaks for itself. Passarelli Decl., Ex. 6.

15. On August 28, 2008, Buck's responded to Buc-ee's First Set of Interrogatories served in connection with the Opposition Proceeding. In response to an interrogatory seeking the date on which Buck's first sold goods or services under the BUCKY'S mark, Buck's responded in part, "Applicant states it began offering goods or services under the mark BUCKY'S prior to 1982 at its store located at 50th and Dodge Street in Omaha, Nebraska." (Id. para 11, Ex. 7, p. 3)

Response: Uncontroverted that Buck's responded to Buc-ee's First Set of Interrogatories on August 28, 2008 in connection with the Opposition Proceeding. Otherwise, without sufficient discovery and controverted, including as to the characterizations of the document, as the document speaks for itself. Passarelli Decl., Ex. 7; (Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks' verified interrogatory response stating:

- "[t]he exact date of first use of the mark BUCKY'S is not known, but at least as early as December 31, 1989, which is why Buck's stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck's adopted the mark BUCKY'S for convenience stores services at its Amoco location at 30th & Dodge.";
- "Buck's adopted and used the mark BUCKY'S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.";
- "The use of the BUCKY'S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY'S."; and
- "Since at least as early as 1979, the names 'Buchanan's Standard Service', 'Buchanan's Service Center' and other derivatives using Mr. Buchanan's surname BUCHANAN were used at the 5001 Dodge Street location.").

16. Also on August 28, 2008, in response to an interrogatory requesting the identity of “all persons who are responsible for the marketing and/or advertising of the mark ‘BUCKY’S’ during the time period from Applicant’s first use of the mark ‘BUCKY’S’ in commerce until the present”, Buck’s identified Mr. Buchanan, Mr. Mailliard (sic), Omaha Neon Sign and Larry Ryben (“Mr. Ryben”) of Omaha Shopper. (Id., para 11, Ex. 7, p. 7)

Response: Uncontroverted that Buck’s responded to Buc-ee’s First Set of Interrogatories on August 28, 2008 in connection with the Opposition Proceeding. Otherwise, controverted, including as to the characterizations of the document, as the document speaks for itself. Passarelli Decl., Ex. 7.

17. On September 22, 2008, not accepting the representations in Mr. Maillard’s “To Whom It May Concern” letter at face value, Buc-ee’s counsel issued a Subpoena Duces Tecum to Mr. Maillard seeking a variety of information regarding the design and use of the BUCKY’S logo, including but not limited to, “Any documents that support the statement in Exhibit 1 that ‘This design was developed in June 1980.’” and “Any documents that show that the logo referenced in Exhibit 1 was used in advertising mailers and for store identification between January 1, 1980 and December 31, 1985.” (Id., para 12, Ex. 8)

Response: Uncontroverted that Buc-ee’s counsel issued a Subpoena Duces Tecum to Mr. Maillard on September 22, 2008 seeking documents. Otherwise, controverted, including as to the characterizations of the document, as the document speaks for itself. Passarelli Decl., Ex. 8; *see also* (Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks’ verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
- “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
- “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and

- “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).

18. Also on September 22, 2008, not accepting Buck’s 1982 claim of first use at face value, Buc-ee’s counsel issued a Subpoena Duces Tecum to the Custodian of Records, Omaha Neon Sign, seeking “All documents relating to any sign or display that Omaha Neon sign sold or leased to Steve Buchanan, Buck’s, Inc., Bucky’s, or Bucky’s Express between 1979 and 1985, including but not limited to photographs or drawings of the signs or displays, copies of the art or design work used for the signs, purchase orders, invoices, bills of sale, cost estimates, letters or memoranda.” (Id., para 13, Ex. 9)

Response: Uncontroverted that Buc-ee’s counsel issued a Subpoena Duces Tecum to the Custodian of Records, Omaha Neon Sign on September 22, 2008 seeking documents. Otherwise, controverted, including as to the characterizations of the document, as the document speaks for itself. (Passarelli Decl., Ex. 9; *see also* Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks’ verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
- “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
- “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and
- “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).

19. Also on September 22, 2008, and again not accepting Buck’s 1982 claim of first use at face value, Buc-ee’s counsel issued a Subpoena Duces Tecum to the Custodian of Records, Omaha Shopper, seeking “All documents relating to advertising placed in the Omaha Shopper by Steve Buchanan, Buck’s, Inc., Bucky’s, or Bucky’s Express between 1979 and 1985, including but not limited to copies of the actual advertisement that were published in the Omaha Shopper, the art or design work that went into the

advertisements, purchase orders, invoices, bills of sale, cost estimates, letters or memoranda.” (Id., para 14, Ex. 10)

Response: Uncontroverted that Buc-ee’s counsel issued a Subpoena Duces Tecum to the Custodian of Records, Omaha Shopper on September 22, 2008 seeking documents. Otherwise, controverted, including as to the characterizations of the document, as the document speaks for itself. (Passarelli Decl., Ex. 10; *see also* Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks’ verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
- “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
- “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and
- “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).

20. In addition, on September 22, 2008, and again not accepting Buck’s 1982 claim of first use at face value, Buc-ee’s counsel issued a Subpoena Duces Tecum to Mr. Ryben (Omaha Shopper), seeking “All documents relating to advertising placed in the Omaha Shopper by Steve Buchanan, Buck’s, Inc., Bucky’s, or Bucky’s Express between 1979 and 1985, including but not limited to copies of the actual advertisement that were published in the Omaha Shopper, the art or design work that went into the advertisements, purchase orders, invoices, bills of sale, cost estimates, letters or memoranda.” (Id., para 15, Ex. 11)

Response: Uncontroverted that Buc-ee’s counsel issued a Subpoena Duces Tecum to Mr. Ryben (Omaha Shopper) on September 22, 2008 seeking documents. Otherwise, controverted, including as to the characterizations of the document, as the document speaks for itself.

(Passarelli Decl., Ex. 11; *see also* Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks' verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
- “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
- “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and
- “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).

21. A month later, on November 24, 2008, still not accepting Buck’s 1982 claim of first use at face value, Buc-ee’s served an Amended Notice of Deposition of Steve Buchanan on Buck’s counsel seeking to depose Mr. Buchanan on December 8, 2008. (*Id.*, para 16, Ex. 12)

Response: Uncontroverted that Buc-ee’s served an Amended Notice of Deposition of Steve Buchanan on Buck’s counsel on November 24, 2008 seeking to depose Mr. Buchanan on December 8, 2008. Otherwise, controverted, including as to the characterizations of the document, as the document speaks for itself. (Passarelli Decl., Ex. 12; *see also* Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks' verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
- “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;

- “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and
- “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).

22. Responsibility for Buck’s defense was transferred to Kutak Rock in early November of 2008. (Id., para 8) Thereafter, John Passarelli (“Mr. Passarelli”) of Kutak Rock represented Buck’s as lead counsel in the Opposition Proceeding. (Id., para 8)

Response: Immaterial. Uncontroverted that Kutak Rock and Mr. Passarelli represented Buck’s in the Opposition Proceeding. Otherwise, without sufficient discovery and therefore controverted.

23. On December 2, 2008, Buck’s filed a Complaint for Unfair Competition, Violation of the Nebraska Uniform Deceptive Trade Practice Act and for Declaratory Judgment (the “Complaint”) against Buc-ee’s in the United States District Court for the District of Nebraska, captioned Buck’s Inc., a Nebraska corporation, Plaintiff vs. Buc-ee’s Ltd., a Texas corporation, Defendant, Case No. 8:08-cv-519 (the “Nebraska Litigation”). (Id., para 17, Ex. 13)

Response: Uncontroverted that Bucks filed a Complaint against Buc-ee’s in the District of Nebraska on December 2, 2008. Controverted as to the merits and substance of the allegations in that Complaint.

24. The Complaint contained the following allegations:

3. Bucky’s currently operates approximately 50 retail stores featuring convenience store items and gasoline under the trademark BUCKY’S in the states of Nebraska, Iowa, Missouri and Illinois. Bucky’s made first use of the BUCKY’S trademark in interstate commerce at least as early as May of 1982 at a retail store location in Omaha, Nebraska. Since it adopted the BUCKY’S trademark in May of 1982, Bucky’s has sought to expand its chain of BUCKY’S retail stores throughout the midwestern United States and into national markets. Bucky’s was established by Steve Buchanan who is also known in the community as BUCKY.

25. By virtue of Defendant’s activities as stated herein, an uncertainty has been cast over Bucky’s right to freely use its BUCKY’S trademark throughout the United Sates without interference from or threat of legal action by Defendant.

26. By virtue of Defendant's activities as stated herein, Bucky's has a reasonable apprehension that is expansion of the BUCKY'S trademark into new locations, including but not limited to its immediate plans to expand its use of the BUCKY'S trademark into the states of Kansas and Florida, will result in Defendant filing an infringement litigation against Bucky's.

27. Defendant's conduct as described above has caused harm to Bucky's in all states in which Bucky's currently conducts business under the BUCKY'S trademark, including the state of Nebraska, and in all states into which Bucky's intends to expand its business under the BUCKY'S trademark.

(Id.)

Response: To the extent the proper citation is "*Id.*, para 18, Ex. 13" rather than referring to paragraph 17, Buc-ee's responds: Uncontroverted that the Complaint contains several allegations, including the allegations quoted here from paragraphs 3, 25, 26, and 27 of the Complaint. Otherwise, controverted as to the merits and substance of the allegations in the Complaint and without sufficient discovery, therefore controverted. (Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks' verified interrogatory response stating:

- "[t]he exact date of first use of the mark BUCKY'S is not known, but at least as early as December 31, 1989, which is why Buck's stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck's adopted the mark BUCKY'S for convenience stores services at its Amoco location at 30th & Dodge.";
- "Buck's adopted and used the mark BUCKY'S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.";
- "The use of the BUCKY'S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY'S."; and
- "Since at least as early as 1979, the names 'Buchanan's Standard Service', 'Buchanan's Service Center' and other derivatives using Mr. Buchanan's surname BUCHANAN were used at the 5001 Dodge Street location.").

25. On December 4, 2008, Buck's counsel filed a motion with the USPTO to suspend the Opposition Proceeding pending the outcome of the Nebraska Litigation. (*Id.*, para 19, Ex. 14) On December 5, 2008, the USPTO granted Buck's motion and suspended the Opposition Proceeding. (*Id.*, para 20, Ex. 15)

Response: Uncontroverted that Buck's counsel filed a Motion to Suspend with the USPTO on December 4, 2008, and that the USPTO granted the Motion to Suspend on December 5, 2008. Otherwise, controverted, including as to characterizations of the documents, as the documents speak for themselves. Passarelli Decl., Exs. 14, 15.

26. The Nebraska Litigation involved the same law firms that were involved in the Opposition Proceeding. Specifically, Buck's, Inc. was represented by John Passarelli and Patrick Stephenson of Kutak Rock LLP. Buc-ee's was represented by Brian Wunder, Richard S. Siluk and John W. Montgomery, all of the Osha Liang law firm in Houston, Texas. In addition to Houston counsel, Buc-ee's was represented by John Sharp and Kenneth Hartman of the prominent Baird Holm law firm in Omaha, Nebraska. (Judicial Notice of pleadings in the Nebraska Litigation)

Response: Immaterial. Controverted. (Passarelli Decl. ¶ 8). Without citation to pursuant LR 56.1(a)(2), and therefore controverted.

27. Both parties, in the Opposition Proceeding and subsequently in the Nebraska Litigation, were well represented by experienced, seasoned lawyers who had extensive experience in intellectual property law generally and trademark law specifically. Presumably these lawyers would be able to fully advise their respective clients with regard to the Opposition Proceeding, the Nebraska Litigation and the related matters involving the scope of discovery available to be employed, the issues to be litigated and ultimately the ability for the Court to ascertain each parties' rights and obligations with respect to the parties' trademarks BUCKY'S and BUC-EE'S. (Id., para 8)

Response: Immaterial. Without sufficient discovery and therefore controverted.

28. Despite Buck's assertion in its Complaint that it had used its BUCKY'S trademark since at least as early as May of 1982, Buc-ee's elected to pursue an aggressive and presumably expensive motion practice. On February 2, 2009, Buc-ee's filed a Motion to Dismiss Under Rules 12(b)(2), 12(b)(3) and 12(b)(6) for Lack of Personal Jurisdiction, Improper Venue, and Failure to State a Claim. (Passarelli Decl., para 21, Ex. 16)

Response: Uncontroverted that Buc-ee's filed a Motion to Dismiss Under Rules 12(b)(2), 12(b)(3), and 12(b)(6) for Lack of Personal Jurisdiction, Improper Venue, and Failure to State a Claim, and uncontroverted that Buck's asserted in its Complaint in Case No. 8:08-cv-00519 (D. Neb.) that "Bucky's made first use of the BUCKY'S trademark in interstate commerce at least as early as May of 1982." Otherwise, controverted, including as to the characterizations of the

Complaint and the Motion, as the documents speak for themselves. (Passarelli Decl., Exs. 13, 16); (Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks' verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark application that its date of first use was sometime during the year of 1989. In 1989, Buck’s adopted the mark BUCKY’S for convenience stores services at its Amoco location at 30th & Dodge.”;
- “Buck’s adopted and used the mark BUCKY’S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
- “The use of the BUCKY’S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY’S.”; and
- “Since at least as early as 1979, the names ‘Buchanan’s Standard Service’, ‘Buchanan’s Service Center’ and other derivatives using Mr. Buchanan’s surname BUCHANAN were used at the 5001 Dodge Street location.”).

29. Meanwhile Buc-ee’s continued to dispute Buck’s May of 1982 date of first use as alleged in its Complaint. On February 24, 2009, in response to multiple requests from opposing counsel to provide documentation substantiating Buck’s alleged date of first use of its BUCKY’S trademark, Mr. Passarelli sent Mr. Wunder a letter enclosing a financial statement relating to the operation of Buck’s full service gas station at 50th and Dodge Streets, in Omaha, Nebraska. The financial statement contains a handwritten notation indicating that the document covered a period beginning May 19, 1982, but did not directly show use of the BUCKY’S trademark. (Id., para 22, Ex. 17)

Response: Uncontroverted that Mr. Passarelli sent Mr. Wunder a letter dated February 24, 2009 and enclosed a document. Uncontroverted that the document contains a handwritten notation of “May 19, 1982.” Uncontroverted that the document does not use the BUCKY’S trademark and does not establish the date of first use of the BUCKY’S trademark. Otherwise, controverted, including as to characterizations of the letter and document, as the documents speak for themselves. (Passarelli Decl., Ex. 17); (Fink Decl., Ex. 30, at 9, 12, 18-19) (Bucks’ verified interrogatory response stating:

- “[t]he exact date of first use of the mark BUCKY’S is not known, but at least as early as December 31, 1989, which is why Buck’s stated in its trademark

application that its date of first use was sometime during the year of 1989. In 1989, Buck's adopted the mark BUCKY'S for convenience stores services at its Amoco location at 30th & Dodge.”;

- “Buck's adopted and used the mark BUCKY'S for convenience store products and services at its 30th & Dodge, Omaha, Nebraska, location starting some time in 1989.”;
- “The use of the BUCKY'S trademark at the 30th & Dodge location from and after 1989 was successful and was, accordingly, employed at all of the subsequent convenience store locations that now use the mark BUCKY'S.”; and
- “Since at least as early as 1979, the names ‘Buchanan's Standard Service’, ‘Buchanan's Service Center’ and other derivatives using Mr. Buchanan's surname BUCHANAN were used at the 5001 Dodge Street location.”).

30. On June 25, 2009, this Court denied Buc-ee's motion to dismiss. Specifically, Judge Bataillon issued a Memorandum and Order which denied Buc-ee's motion to dismiss and ordered Buc-ee's to file an Answer to Buck's Complaint within 20 days. (Id., para 23, Ex. 18).

Response: Uncontroverted that Judge Bataillon denied Buc-ee's Motion to Dismiss Under Rules 12(b)(2), 12(b)(3) and 12(b)(6) for Lack of Personal Jurisdiction, Improper Venue, and Failure to State a Claim on June 25, 2009 and issued a Memorandum and Order. Otherwise, controverted, including as to characterizations of the Memorandum and Order, as the documents speak for themselves. Passarelli Decl., Ex. 18.

31. On July 9, 2009, Buc-ee's filed a Motion for Reconsideration; Request for Stay; and Alternative Request for Certification to Take Interlocutory Appeal. (Id., para 24, Ex. 19) On August 10, 2009, this Court issued a Memorandum and Order denying Buc-ee's Motion. (Id., para 25, Ex. 20)

Response: Uncontroverted that Buc-ee's filed a Motion for Reconsideration; Request for Stay; and Alternative Request for Certification to Take Interlocutory Appeal on July 9, 2009, and that the Court issued a Memorandum and Order on August 10, 2009. Otherwise, controverted, including as to characterizations of the documents, as the documents speak for themselves. Passarelli Decl., Exs. 19, 20.

32. On August 19, 2009, Buc-ee's filed a Petition for Writ of Mandamus with the United States Court of Appeals for the Eighth Circuit, applying for a writ of mandamus to the United States District Court for the District of Nebraska requiring the District Court to grant Buc-ee's Motion to Dismiss for Lack of Personal Jurisdiction, Improper Venue, and Failure to State a Claim. (Id., para 26, Ex. 21)

Response: Uncontroverted that Buc-ee's filed a Petition for Writ of Mandamus with the Eighth Circuit on August 19, 2009. Otherwise, controverted, including as to the characterizations of the document, as the document speaks for itself. Passarelli Decl., Ex. 21.

33. On August 28, 2009, the Court of Appeals issued a Judgment denying Buc-ee's Petition for Writ of Mandamus. (Id., para 27, Ex. 22)

Response: Uncontroverted that the Eighth Circuit issued a Judgment on August 28, 2009. Otherwise, controverted, including as to the characterizations of the document, as the document speaks for itself. Passarelli Decl., Ex. 22.

34. Having exhausted its available remedies for avoiding the jurisdiction of this Court, on August 31, 2009, the very next business day following the denial of its Petition for Writ of Mandamus, Buc-ee's counsel Mr. Wunder sent Mr. Passarelli a letter setting forth the "ground rules" of a mediation to take place on September 16, 2009, at the office of Kutak Rock, in Omaha, Nebraska. (Id., para 28, Ex. 23)

Response: Uncontroverted that Mr. Wunder sent Mr. Passarelli a letter on August 31, 2009 regarding the mediation to take place on September 16, 2009 at the office of Kutak Rock, in Omaha, Nebraska. Otherwise, controverted, including as to characterizations of the document, as the document speaks for itself. Passarelli Decl., Ex. 23.

35. Settlement negotiations were significantly facilitated by representatives of Osha Liang and the two principals and owners of Buc-ee's, Arch Aplin III and Don Wasek, traveling from Houston to Omaha to meet with Mr. Buchanan at the offices of Kutak Rock on September 16, 2009, to discuss an appropriate settlement. Messrs. Aplin, Wasek and Buchanan personally participated in the settlement discussions. (Buchanan Decl., para 10)

Response: Immaterial; uncontroverted.

36. During a break in the settlement discussions, Mr. Buchanan showed Messrs. Aplin and Wasek the BUCKY'S convenience store located at 35th and Broadway in Council Bluffs, Iowa to show how the signage was presented to customers and how the store operated.

(*Id.*, para 11) When Messrs. Buchanan, Aplin and Wasek returned from visiting the Council Bluffs BUCKY's convenience store, the parties concluded their settlement discussions and signed the Co-Existence and Settlement Agreement ("Co-Existence Agreement"). Mr. Buchanan signed the Co-Existence Agreement on behalf of Buck's and Mr. Aplin signed the Co-Existence Agreement on behalf of Buc-ee's. (Passarelli Decl., para 29, Ex. 24; Buchanan Decl., para 11, Ex. 2)

Response: To the extent the first citation "*Id.*, para 11" actually refers to "*Id.* para 12", Buc-ee's responds: Immaterial. Otherwise, controverted, including as to characterizations of the Agreement, as the Agreement speaks for itself. Passarelli Decl., Ex. 24.

37. The Co-Existence Agreement is a six-page agreement carefully negotiated and drafted by counsel and by its clear and unambiguous terms called for the parties to thereafter "co-exist" with their marks and to "settle" all claims, theories of recovery, affirmative defenses, counterclaims and any and all other causes of action which either party alleged or could have alleged in either the Opposition Proceeding or the Nebraska Litigation. Relevant provisions demonstrating that the parties intended to settle all claims and intended for the parties to be able to "co-exist" in any geographical territory within the United States are the following excerpts of the Co-Existence and Settlement Agreement:

(1) The Agreement is entitled "Co-Existence and Settlement Agreement" accurately describing what the parties intended to achieve.

(2) The sixth WHEREAS paragraph reflects the parties' agreement that "both parties have used their respective marks in their respective businesses for their respective goods and services since as early as 1989 without any know instance of actual confusion as to the source of origin of the goods and services".

(3) The seventh WHEREAS paragraph reflects the parties' intent "to memorialize their respective rights in and to their respective trademarks, and to avoid any consumer confusion between their respective trademark uses".

(4) Section 1(a) states in part "The parties believe that there is no likelihood of consumer confusion arising from use and registration by Buck's, Inc. of the mark BUCKY'S for goods and services of Buck's, Inc. and there is no likelihood of confusion arising from the use by Buc-ee's of the mark BUC-EE'S for the goods and services of Buc-ee's".

(5) Section 1(a) further memorializes the parties' mutual belief that no likelihood of confusion exists between their respective marks because "the respective goods and services have been sold under the respective marks for over five years without causing a single known instance of actual confusion" and "the marks are spelled differently and the marks have a different appearance as used".

(6) Section 1(c) sets forth Buc-ee's express agreement that "it will not directly or indirectly attempt to interfere with Buck's use or registration of the trademark BUCKY'S".

(7) Section 1(c) further expands upon this commitment, expressly stating that "Buc-ee's agrees that during the term of this Agreement [in perpetuity] it shall not sue or otherwise bring official action in court or in the US Patent and Trademark Office with regard to the use by Buck's of the BUCKY'S mark".

(8) Section 1(d) sets forth a mutual agreement to "reasonably cooperate with each other to provide a true consent document that will overcome the concerns of the USPTO" in the event that the USPTO were to reject either party's application to register its respective trademark.

(9) Section 3(a) imposed a five-year restriction upon Buc-ee's (but no restrictions upon Buck's), preventing Buc-ee's from expanding its use of the BUC-EE'S trademark into Nebraska, Iowa, Missouri, Illinois, Kansas, Tennessee and South Carolina.

(10) Section 3(b) provides, "Subject to the limitations set forth in paragraph 3(a) above and the agreement by the parties herein to take appropriate steps to avoid any likelihood of confusion, and because the parties agree that no likelihood of confusion will result from their separate use of their respective marks, either party may expand into any geographical territory without objection, interference, or filing of any legal action by the other party."

(11) Section 4 provides a broad mutual release from all "claims for relief and causes of action of every kind and nature whatsoever, whether by statute or in contract, tort, at law or in equity, or otherwise, existing at the time of this Agreement and now known or unknown, that relate to (i) the use of their respective trademarks references herein, (ii) any claims or counterclaims that were asserted or could have been asserted in the Opposition Proceeding, and (iii) any claims or counterclaims that were asserted or could have been asserted in the Nebraska Litigation."

(12) Section 5 confirms that the agreement should continue "in perpetuity".

(13) Section 8 provides that in the unlikely "event that either party encounters any instances of actual consumer confusion between the parties' respective trademark uses, such party will promptly notify the other party and the parties will cooperate in good faith to take appropriate steps and measures to eliminate such actual confusion and to avoid any future likelihood of confusion."

(14) In order to discourage litigation, Section 11 provides that "any action brought by Buck's under this Agreement shall be adjudicated in the state and federal courts of Harris County, Texas and any action brought by Buc-ee's under this Agreement, shall be adjudicated in the state and federal courts located in Douglas County, Nebraska".

(Id.)

Response: Uncontroverted that this paragraph quotes incomplete portions of the Agreement. Defendants omit key provisions of the Agreement. For example, Section 1(c) actually states: “Buc-ee’s agrees that during the term of this Agreement [in perpetuity] it shall not sue or otherwise bring official action in court or in the US Patent and Trademark Office with regard to the use by Buck’s of the BUCKY’S mark *as permitted in this agreement.*” (emphasis added). Therefore, controverted, including as to characterizations of the Agreement and the omissions of key provisions of the Agreement, as the document speaks for itself. Passarelli Decl., Ex. 24.

38. Also on September 16, 2009, in reliance upon the contractual protections provided by the Co-Existence Agreement, Buck’s executed a Consent to Use and Register, consenting to Buc-ee’s registration of its BUC-EE’S trademark. (Passarelli Decl., para 30 and Buchanan Decl., para 13, Ex. 3)

Response: Uncontroverted as to Bucks executing a Consent to Use and Register on September 16, 2009. Otherwise, controverted, including as to characterizations of the document, as the document speaks for itself, and without sufficient discovery as to Bucks’ reliance. Passarelli Decl., Ex. 25.

39. On September 29, 2009, Buc-ee’s submitted to the USPTO the Consent to Use and Register, which it obtained from Buck’s in consideration for the various covenants set forth in the Co-Existence Agreement, including, inter alia, the express covenant to “not sue or otherwise bring official action in court or in the US Patent and Trademark Office with regard to the use by Buck’s of the BUCKY’S mark”. (Passarelli Decl., para 31, Ex. 25)

Response: Uncontroverted that Buc-ee’s submitted the Consent to Use and Register to the USPTO on September 29, 2009. Otherwise, controverted, including as to characterizations of the Consent to Use and Register and the Agreement, as the documents speak for themselves. Passarelli Decl., Exs. 24, 25.

40. Also on September 29, 2009, Buc-ee’s submitted to the USPTO, a Request to Lift Suspension of U.S. Service Mark Application Serial No. 78853252 for the mark BUC-

EE'S in Class 35, which quoted extensively from the Consent to Use and Register executed by Buck's, and further provided:

Applicant also respectfully submits that there is no likelihood of confusion and there will be no likelihood of confusion from registration of Applicant's mark BUC-EE'S over the Buck's mark, BUCKY'S, for the reasons set forth herein.

(Id., para 32, Ex. 26)

Response: Uncontroverted as to Buc-ee's submitting to the USPTO a Request to Lift Suspension of U.S. Service Mark Application Serial No. 7885352 for the mark BUC-EE'S in Class 35. Otherwise, controverted, including as to characterizations of the Request and the Agreement, as the documents speak for themselves. Passarelli Decl., Exs. 24, 26.

41. In reliance upon the Consent to Use and Register, and Buc-ee's representation that there will be no likelihood of confusion between the BUC-EE'S and BUCKY's trademarks, on March 23, 2010, the USPTO issued Registration No. 3763277 for the trademark BUC-EE'S to Buc-ee's. (Id., para 33, Ex. 27)

Response: Uncontroverted that the USPTO issued Registration No. 3763277 for the trademark BUC-EE'S to Buc-ee's on March 23, 2010. Otherwise, controverted, including as to characterizations of the documents, as the documents speak for themselves. Passarelli Decl., Exs. 25, 27.

42. On March 26, 2010, having secured registration of its BUC-EE'S trademark pursuant to the terms and conditions of the Co-Existence Agreement, Buc-ee's filed Opposer's Request to Withdraw Opposition Under TBMP § 605.03(a), requesting dismissal of the Opposition Proceeding with prejudice. (Id., para 34, Ex. 28) On March 29, 2010, the TTAB dismissed the Opposition Proceeding with prejudice. (Id., para 35, Ex. 29)

Response: Uncontroverted that Buc-ee's secured registration of the BUC-EE's trademark before March 26, 2010, that Buc-ee's filed Opposer's Request to Withdraw Opposition under TBMP § 605.03(a) on March 26, 2010, and that the TTAB dismissed the Opposition Proceeding with prejudice on March 29, 2010. Otherwise, controverted, including as to characterizations of the documents, as the documents speak for themselves. Passarelli Decl., Exs. 28, 29.

43. On May 4, 2010, the USPTO issued Registration No. 3783086 for the trademark BUCKY'S to Buck's, conferring upon Buck's the presumptive right to use the trademark BUCKY'S throughout the entire United States. (Id., para 36, Ex. 30) On May 13, 2010, in reliance upon the contractual protections provided by the Co-Existence Agreement, and the statutory protections provided by Registration No. 3783086, Buck's filed a Motion for Dismissal with Prejudice with this Court. (Id., para 37, Ex. 31) On May 17, 2010, this Court issued an Order and Final Judgment, dismissing the Nebraska Litigation with prejudice. (Id., para 33, Ex. 27)

Response : To the extent the citation "*Id.*, para 33, Ex. 27" actually refers to "*Id.*, para 38, Ex. 32," Buc-ee's responds: Uncontroverted that the USPTO issued Registration No. 3783086 for the trademark BUCKY'S to Buck's on May 4, 2010, that Buck's filed a Motion for Dismissal with Prejudice with the Court on May 13, 2010, and that this Court issued an Order and Final Judgment on May 17, 2010. Otherwise, controverted, including as to characterizations of the documents, as the documents speak for themselves. Passarelli Decl., Exs. 30, 31, 32.

44. From and after the Co-Existence Agreement and having secured their respective trademark registrations, both parties operated their businesses without interaction. The BUCKY'S trademark has been spelled the same and used in the same manner since the Co-Existence Agreement was signed on September 16, 2009. (Buchanan Decl., para 14) At no time since September 16, 2009, to the present has Buck's used its BUCKY'S trademark in any manner other than as permitted by the Co-Existence Agreement. (Id.)

Response: Controverted and without sufficient discovery. Because Bucks' use of "Bucky's" has caused actual confusion and Bucks did not take appropriate steps to avoid any likelihood of confusion, Bucks' use of "Bucky's" is not permitted by the Agreement. (Lee Aff., Ex. 1 at 3; Lee Aff. ¶¶ 5-6; Fink Decl., Ex. 9 at 6, Exs. 11-14; Warters Aff.). Also, controverted as to characterizations of the Agreement, as the document speaks for itself.

45. On May 14, 2015, Buck's filed a Combined Declaration of Use and Incontestability under Sections 8 & 15 with the USPTO in support of Registration No. 3783086. (Passarelli Decl., para 39, Ex. 33) On May 30, 2015, the USPTO issued a Notice of Acceptance Under Section 8 and Notice of Acknowledgement Under Section 15 with respect to Registration No. 3783086. (Id., para 40, Ex. 34) Registration No. 3783086 for the trademark BUCKY'S is currently valid and incontestable.

Response: Uncontroverted that Buck's filed with the USPTO a Combined Declaration of Use and Incontestability under Sections 8 and 15 on May 14, 2015 in connection with Registration No. 3783086, and that the USPTO issued a Notice of Acceptance Under Section 8 and Notice of Acknowledgement Under Section 15 on May 30, 2015. Immaterial as to whether the Registration is valid and incontestable, and Buc-ee's has filed a Petition to Cancel Registration No. 3783086. (Fink Decl., Ex. 51) Otherwise, controverted, including as to characterizations of the documents, as the documents speak for themselves. Passarelli Decl., Exs. 33, 34.

46. In 2016, Buck's considered expanding its BUCKY'S chain of convenience stores into the Houston metropolitan area. (Buchanan Decl., para 16) Buck's considered the Houston area to be underserved and believed that Bucky's branded convenience stores could compete with existing operations. (Id.) Believing he had full right and authority under the Co-Existence Agreement to expand into the Houston metropolitan market, Mr. Buchanan instructed his employees to identify locations and to get ready to build one or more BUCKY'S convenience stores in the Houston metropolitan area. (Id.) Buck's has exhausted considerable resources in connection with its efforts to expand its BUCKY'S convenience stores into the Houston metropolitan area. (Buchanan Decl., para 17)

Response: Without sufficient discovery and therefore controverted. Controverted as to when Bucks considered expanding, as documents show Buck's considered expanding in 2015. Fink Decl., Exs. 7, 51-57 Also, controverted as to characterizations of the Co-Existence Agreement, as the document speaks for itself. Passarelli Decl., Ex. 24.

47. Between September 16, 2009 and March 14, 2017, Buc-ee's did not bring to Buck's attention a single instance of consumer confusion between the BUCKY'S and BUC-EE'S trademarks. (Id., para 20) During that same period, Buck's did not experience any instances of consumer confusion between the BUCKY'S and BUC-EE'S trademarks. (Id.)

Response: Controverted and without sufficient discovery. Buc-ee's provided notice of actual confusion to Bucks on March 14, 2017. Passarelli Decl., Ex. 35. Defendants experienced instances of consumer confusion between the BUCKY'S and BUC-EE'S trademarks. Fink

Decl., Ex. 11 at 4; *id.*, Ex. 12 at 6; Lee Aff., Ex. 1 at 3; *id.* ¶¶ 5-6 (collection of city council meetings with Richardson).

48. On March 14, 2017, in direct violation of the plain and unambiguous terms and conditions of the Co-Existence Agreement, Buc-ee's filed a Complaint for Damages and Injunctive Relief for Trademark Infringement (the "Texas Complaint") under federal and state law in the United States District Court for the Southern District of Texas (the "Texas Litigation"). (Passarelli Decl., para 41, Ex. 35)

Response: Uncontroverted that Buc-ee's filed a Complaint for Damages and Injunctive Relief for Trademark Infringement in the Southern District of Texas on March 14, 2017. Otherwise, controverted. Because Bucks' use of "Bucky's" has caused actual confusion and Bucks did not take appropriate steps to avoid any likelihood of confusion, Bucks' use of "Bucky's" is not permitted by the Agreement, and Buc-ee's is thus fully entitled to take legal action. (Passarelli Decl., Ex. 24). Further controverted as to characterizations of the Agreement and the Buc-ee's Texas Complaint, as those documents speak for themselves. *Id.*, Exs. 24, 35.

49. The Co-Existence Agreement expressly prohibited Buc-ee's from initiating the Texas Litigation, providing in part, "Buc-ee's agrees that during the term of this Agreement it shall not sue or otherwise bring official action in court or in the US Patent and Trademark Office with regard to the use by Buck's of the BUCKY'S mark as permitted in this Agreement." (*Id.*, Ex. 24, para. 1(c))

Response: Uncontroverted that the Agreement contains the quoted language. Otherwise, controverted. Because Bucks' use of "Bucky's" has caused actual confusion and Bucks did not take appropriate steps to avoid any likelihood of confusion, Bucks use of "Bucky's" is not permitted by the Agreement, and Buc-ee's is thus fully entitled to take legal action. (Passarelli Decl., Ex. 24; Aplin Decl., Ex. 1). Further controverted, including as to the characterizations of the Agreement, as the document speaks for itself. *Id.*

50. The Co-Existence Agreement also required Buc-ee's to notify Buck's in the event that it encountered any instances of actual consumer confusion between the parties' respective marks and to "cooperate in good faith to take appropriate steps and measures to eliminate such actual confusion and to avoid any future likelihood of confusion." (*Id.*, Ex. 24 para. 8)

Response: Controverted. Buc-ee's provided notice of actual confusion on March 14, 2017. Passarelli Decl., Ex. 35; (ECF 1). Further controverted, including as to the characterizations of the Agreement, as the document speaks for itself. Passarelli Decl., Ex. 24.

51. Furthermore, the Co-Existence Agreement expressly provided that "any action brought by Buc-ee's under this Agreement, shall be adjudicated in the state and federal courts located in Douglas County, Nebraska. (Id., Ex. 24, para. 11)

Response: Controverted. Buc-ee's claims were not brought under the Agreement. (Passarelli Decl., Ex. 24; Aplin Decl., Ex. 1). Further controverted, including as to the characterizations of the Agreement, as the document speaks for itself. *Id.*

52. Not only did Buc-ee's violate the express provisions in the Co-Existence Agreement requiring Buc-ee's to cooperate in good faith with Buck's to eliminate any actual consumer confusion, prohibiting Buc-ee's from suing Buck's over its use of the BUCKY'S mark, and requiring Buc-ee's to bring any action under the Co-Existence Agreement in Douglas County, Nebraska, Buc-ee's also concealed the very existence of the Co-Existence Agreement from the Texas Court. Nowhere in the Texas Complaint does Buc-ee's mention the long and complex litigation history between the parties before the USPTO, the District Court of Nebraska and the Eighth Circuit Court of Appeals, and nowhere in the Texas Complaint does Buc-ee's mention that those prior disputes were resolved by virtue of the Co-Existence Agreement. (See Passarelli Decl., Ex. 35)

Response: Immaterial. Controverted. Because Bucks' use of "Bucky's" has caused actual confusion and Bucks did not take appropriate steps to avoid any likelihood of confusion, Bucks' use of "Bucky's" is not permitted by the Agreement, and Buc-ee's is thus fully entitled to take legal action. (Passarelli Decl., Ex. 24; Aplin Decl., Ex. 1) Further controverted, including as to the characterizations of the Agreement and Buc-ee's Complaint, as the documents speak for themselves. *Id.*, Exs. 24, 35.

53. Although Buc-ee's relied upon its federal trademark registrations in making its various claims against Buck's in the Texas Complaint, Buc-ee's concealed the fact that Registration No. 3763277 for the trademark BUC EE'S was only issued by the USPTO after Buc-ee's expressly represented to the USPTO that "there will be no likelihood of confusion from registration of Applicant's mark BUC-EE'S over the Buck's mark, BUCKY'S", and Buc-ee's submitted to the USPTO the Consent to Use and Register which it procured from Buck's in exchange for the various promises it made (and subsequently broke) under the Co-Existence Agreement. (Id.)

Response: Immaterial. Controverted, including as to the basis for the Parties' actions and as to the characterizations of the Agreement, Buc-ee's Complaint, federal trademark registrations including Registration No. 3763277, and the Consent to Use and Register, as these documents speak for themselves. Passarelli Decl., Exs. 24, 25, 27, 35.

54. On August 2, 2017, Judge Hittner, the presiding judge in the Texas Litigation, issued an order transferring the case against Buck's to the United States District Court for the District of Nebraska. The Order read in part:

(a) "On September 16, 2009, Buck's and Buc-ee's entered into a co-existence agreement (the "Agreement"), settling the Nebraska Lawsuit. Subsequently, Buc-ee's obtained registration of the BUC-EE's mark and Buck's of the BUCKY's mark. The Agreement not only resolved the Nebraska litigation, but also 'memorializ[ed] [each party's] rights in and to their respective trademarks.'"

(b) "The Agreement's forum-selection clause states, in pertinent part, "[Buck's and Buc-ee's] . . . agree that . . . any action brought by Buc-ee's under this Agreement, shall be adjudicated in the state and federal courts in Douglas County, Nebraska All of Buc-ee's causes of actions against Buck's are grounded in the allegation that "[Buck's] recently has begun using the term 'Bucky's' in connection with convenience store and gas stations in Texas and this District. In defense, Buck's contends Buc-ee's previously agreed (via the Agreement) that Buck's could partake in this allegedly infringing activity and Buc-ee's would not sue as a result of such activity [N]either party disputes that the Agreement must be interpreted to determine the validity of Buc-ee's lawsuit against Buck's. In other words, the validity of Buc-ee's lawsuit and the alleged conduct on which it is based is controlled, managed, or governed by the Agreement Accordingly, Buc-ee's lawsuit against Buck's falls within the scope of the Agreement's forum-selection clause.

(Passarelli Decl., para 42, Ex. 36)

Response: Uncontroverted that Judge Hittner issued an order transferring the case against Bucks' to the District of Nebraska on August 2, 2017. Uncontroverted that the order included several paragraphs, including the paragraphs (a) and (b) quoted here, in part, from the order. Otherwise, controverted, including as to the characterizations of the document and omissions from the order, as the document speaks for itself. Passarelli Decl., Ex. 36.

55. Buc-ee's then abandoned its Original Complaint and filed its Amended Complaint in this Court on September 6, 2017. The Amended Complaint incorporated new claims against

Buck's and Mr. Buchanan in an attempt to void and/or rescind the Co-Existence Agreement. (Id., para 43, Ex. 37)

Response: Uncontroverted that Buc-ee's filed an Amended Complaint in this Court on September 6, 2017 and that the Amended Complaint included additional claims against Bucks' and Mr. Buchanan. Otherwise, controverted, including as to the characterizations of the Amended Complaint, as the document speaks for itself. Passarelli Decl., Ex. 37.

56. Upon information and belief, Plaintiff Buc-ee's, a citizen of Texas, is a Texas limited partnership, having a principal place of business at 327 FM 2004, Lake Jackson, Texas 7756. (Dkt. 77, pg. 2, para. 1).

Response: Immaterial. Uncontroverted.

57. Defendant Buck's, doing business as "Bucky's," is a corporation organized under the laws of the State of Nebraska, and having a principal place of business at 7315 Mercy Road, Omaha, Nebraska 68124. Buck's is a citizen of Nebraska. (Dkt. 77, p. 3, para. 2 and Dkt. 82, p. 1, para. 2).

Response: Immaterial. Uncontroverted.

58. Defendant Buchanan is an individual and is President, Treasurer, and a member of the Board of Directors of Buck's, and owns all of the capital stock of Buck's. (Dkt. 77, p. 3, para. 3 and Dkt. 82, pp. 1-2, para. 3)

Response: Immaterial. Uncontroverted.

59. Mr. Buchanan is a citizen of Nebraska and has an address of 1326 N. 143rd Avenue Circle, Omaha, NE 68154. (Dkt. 77, p. 3, para. 4 and Dkt. 82, p. 2, para. 4).

Response: Immaterial. Uncontroverted.

60. The Amended Complaint purports to bring a civil action for trademark infringement, trademark dilution unfair competition and false designation of origin, unjust enrichment, inducement by fraudulent and material misrepresentation, fraudulent misrepresentation, negligent misrepresentation, and breach of contract, but Defendants deny that such action is properly maintained or that Plaintiff is entitled to any relief. (See Dkt. 77). The Amended Complaint purports to bring a civil action under the Trademark Act of 1946, 15 U.S.C. § 1501, et seq. ("the Lanham Act"), the Texas Business and Commerce Code, and federal and state common law, including the law of the State of Texas and the law of the State of Nebraska, but Defendants deny that such action is properly maintained or that Plaintiff is entitled to any relief. (See Id.)

Response: Controverted. The Amended Complaint and Defendants' Answer speak for themselves. (ECF 77; Fink Decl., Ex. 58).

61. The parties are completely diverse in citizenship, and the amount in controversy, without interest and costs, exceeds \$75,000. (Id. at p. 2, para. 6).

Response: Uncontroverted.

62. Plaintiff claims that this Court has subject matter jurisdiction over this action pursuant to at least 15 U.S.C. § 1121(a) and 28 U.S.C. §§ 1331, 1332, 1338(a) & (b), and 1367(a). (Id. at p. 2, para. 7).

Response: Uncontroverted.

63. This Court has personal jurisdiction over Buck's due to its intentional contacts with this forum, including at least Buck's conduct of business within the state of Nebraska, and Buck's residency within Nebraska. (Dkt. 82, p. 2, para. 8).

Response: Uncontroverted.

64. This Court has personal jurisdiction over Mr. Buchanan due to his intentional contacts with this forum, including at least Mr. Buchanan's conduct of business within the state of Nebraska, and Mr. Buchanan's residence within Nebraska. (Dkt. 82, p. 2, para. 9).

Response: Uncontroverted.

65. Venue is proper in this District pursuant to the plain and unambiguous terms of the venue provision of the Co-Existence Agreement. (See Passarelli Decl., Ex. 24).

Response: Controverted. Defendants' actions are not permitted under the Agreement, and therefore the forum selection clause for disputes under the Agreement does not apply. (Passarelli Decl., Ex. 24; Aplin Decl., Ex. 1). Further controverted to the extent Defendants have characterized the document in any way, the document speaks for itself. *Id.*

VII. CONCLUSION

For the reasons stated above, the Court should deny Defendants' Motion for Summary Judgment.

Dated: December 1, 2017

By: /s/ Katherine L. Fink

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing document was served upon all counsel of record on December 1, 2017, via the Court's CM/ECF filing system.

/s/ Katherine L. Fink
FOR BUC-EE'S, LTD.