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June 10, 2025

Via Email and Federal Express

Todd C. Bank, Esq.
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Re: Bank. v. NFL Properties LLC – Case No. 1:25-cv-03981-CM

Dear Mr. Bank:

We write on behalf of Defendant NFL Properties LLC (“NFLP”) in the above-captioned action (“*Bank I*”). We previously notified you of our intent to file a motion for sanctions in connection with your prior lawsuit filed against NFLP, *Bank v. NFL Properties LLC*, Case No. 1:24-cv-08814-CM (S.D.N.Y.) (“*Bank I*”). As set forth in NFLP’s Motion to Dismiss the current complaint (attached hereto and filed concurrently herewith), despite your attempt to manufacture a justiciable controversy, your complaint in *Bank II* failed to rectify the legal deficiencies present in *Bank I*. Accordingly, we once again write to provide notice under Federal Rule of Civil Procedure (“Rule”) 11(c)(2) of NFLP’s intent to file a motion for sanctions and enclose a Notice of Motion for Sanctions in connection with your most recent complaint. Pursuant to Rule 11(c), you have 21 days following service of this notice to withdraw your complaint—which asserts legally frivolous claims and is brought for an improper purpose in violation of Rule 11(b)—to avoid the filing of the motion and possible imposition of sanctions by the Court. *See Malkan v. Mutua*, 699 Fed. App’x. 81, 83-84 (2d Cir. 2017); *Star Mark Mgmt., Inc. v. Koon Chun Hing Kee Soy & Sauce Factory, Ltd.*, 682 F.3d 170, 177 (2d Cir. 2012).

Rule 11 – Legal Standards

NFLP has detailed in its Motion to Dismiss the bases on which your complaint is meritless, asserts legally frivolous claims, and is brought for an improper purpose. Rule 11(b)(1) requires a pleading not be presented “for any improper purpose, such as to harass,” and Rule 11(b)(2) requires that any “claims” or “legal contentions” asserted by a party be “warranted by existing law or by a nonfrivolous argument for extending, modifying, or reversing existing law or for establishing new law.” A party is prohibited from filing claims when “it is patently clear that [they have] absolutely no chance of success.” *Healey v. Chelsea Res., Ltd.*, 947 F.2d 611, 626 (2d Cir. 1991). A violation of Rule 11 occurs when “it should have been patently obvious to any attorney who had familiarized himself [or herself] with the law” that the claim could not succeed. *Four Keys Leasing & Maint. Corp. v. Simithis*, 849 F.2d 770, 773 (2d Cir. 1988). Moreover, a court can infer when an action is “so completely without merit as to require the conclusion [it] must have been undertaken for some improper purpose.” *Schlaifer Nance & Co., Inc. v. Estate of Warhol*, 194 F.3d 323, 338 (2d Cir. 1999).

Here, at a minimum, it should have been obvious to you that your request for declaratory judgment set forth in your complaint is legally frivolous.

Plaintiff Lacks Standing

First, there remains no justiciable controversy to invoke subject matter jurisdiction on the Court. The Declaratory Judgment Act permits a district court, “[i]n a case of actual controversy within its jurisdiction,” to “declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought.” 28 U.S.C. § 2201(a). To invoke the jurisdiction of a federal court, however, you “must establish that an actual case or controversy exists between the parties.” *Bd. of Educ of City of New York v. Califano*, 479 F. Supp. 561, 562, (S.D.N.Y. 1979). An action seeking declaratory relief satisfies the case-or-controversy requirement only if the dispute is “definite and concrete, touching the legal relations of parties having adverse legal interests” and is “real and substantial,” such that it “admit[s] of specific relief through a decree of a conclusive character, as distinguished from an opinion advising what the law would be upon a hypothetical state of facts.” *MedImmune, Inc. v. Genentech, Inc.*, 549 U.S. 118, 127 (2007).

In the trademark context, to establish a case or controversy, your complaint must adequately allege that you have “engaged in a course of conduct evidencing a *definite* intent and apparent ability to commence use of the marks on the product.” *Saleh v. Sulka Trading Ltd.*, 957 F.3d 348, 354 (2d Cir. 2020) (emphasis added) (quoting *Starter Corp. v. Converse, Inc.*, 84 F.3d 592, 596 (2d Cir. 1996)). You must show that you are “actively preparing to produce the article in question” such that you have reached “the last point before the point of no return.” *Starter Corp.*, 84 F.3d at 596

As explained more fully in NFLP’s Motion to Dismiss, it is apparent you do not genuinely intend to sell merchandise bearing any NFL trademarks. Rather, this action is brought without legal standing to harass our client. In the six weeks since the due date for your opposition to NFLP’s prior motion to dismiss, you have taken superficial steps attempting to overcome the deficiencies raised by NFLP in *Bank I*, such as registering a domain name the same day you brought this lawsuit and purchasing thirty-three t-shirts and attaching patches to those t-shirts (Compl. ¶¶ 89-91). Taking these bare minimum steps to manufacture an apparent controversy, however, does not demonstrate the requisite “definite intent” to sell infringing goods.

Further, even if your actions could be interpreted as legitimate, the steps you have taken are insufficient to establish that you have engaged in meaningful conduct such that you are at “the last point before the point of no return.” *Starter Corp.*, 84 F.3d at 596. You have not alleged, for instance, that you “invested a significant amount of time and money,” “conducted a consumer survey,” “made strategic decisions regarding who should manufacture [the products],” or “attempted to find a manufacturing partner.” *Id.*; see also *Sobini Films*, 2001 U.S. Dist. LEXIS 23509, at *20-22.

Accordingly, you have no proper basis to invoke the Court’s jurisdiction to seek declaratory relief. Your complaint is thus legally frivolous and brought for an improper purpose, and should be withdrawn.

Plaintiff's Legal Theory Fails as a Matter of Law

Second, your third complaint still fails to plausibly allege a cognizable legal theory that the NFL Marks are functional and, therefore, unprotectable.

Under trademark law, functionality may be either (1) “traditional” or “utilitarian”; or (2) “aesthetic.” *Christian Louboutin, S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 219 (2d Cir. 2012). The NFL Marks are neither.

A trademark is functional, from a utilitarian perspective, where it is considered “essential to the use or purpose of the article” or “affects the cost or quality of the article.” *See Louboutin*, 696 F.3d at 219 (quoting *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850, n.10 (1982)). For example, the Second Circuit held that the strap and raised heel tab on a shoe were functional because “they enable the user to put the shoe on and wear it.” *Eliya, Inc. v. Steve Madden, Ltd.*, 749 F. App’x 43, 47 (2d Cir. 2018). A trademark is aesthetically functional if “an ornamental feature is claimed as a trademark and trademark protection would significantly hinder competition by limiting the range of adequate alternative designs.” *Wallace Int’l Silversmiths, Inc. v. Godinger Silver Art Co.*, 916 F.2d 76, 81 (2d Cir. 1990). “A feature is ornamental if it is added *purely* for aesthetic reasons and serves *no* source-identifying purpose.” *Gucci Am., Inc. v. Guess?, Inc.*, 868 F. Supp. 2d 207, 246 (S.D.N.Y. 2012) (emphasis added).

Again, as detailed in NFLP’s Motion to Dismiss, the NFL Marks are not functional in a utilitarian way because they are not essential to the functioning or quality of the product. An item bearing an NFL Mark would function just as well without the mark. Nor are the NFL Marks aesthetically functional. The NFL Marks are not merely stylistic aspects of a branded product designed to make the product more appealing. Rather, *they are the brand itself*. You are free to sell competing merchandise provided you do not use or infringe any of the NFL Marks. Your allegation that certain consumers find merchandise bearing NFL Marks more desirable (*see* Compl. ¶ 86), does not make such marks functional.

Moreover, it is clear your legal theory is meritless because courts have routinely rejected your argument that a trademark is functional merely because some consumers may purchase products bearing NFL Marks to communicate allegiance to the league or the team. Instead, the fact that fans associate the NFL Marks with the NFL and its Member Clubs (*see* Compl. ¶¶ 73-78) indicates that the NFL Marks serve as source identifiers—which is *precisely what trademark law protects*. *See* 15 U.S.C. § 1125(a)(1).



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Therefore, it should have been patently obvious to you that your legal theory lacks merit. Pursuant to Rule 11(c), because your complaint is legally frivolous and brought for an improper purpose, if you do not withdraw the pleading within 21 days, NFLP may file its motion seeking sanctions.

Sincerely,

A handwritten signature in blue ink, appearing to read "CBW", with a long horizontal flourish extending to the right.

Craig B. Whitney

Enclosures