

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

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U.S. DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

\_\_\_\_\_  
Three Angels Broadcasting Network, an )  
Illinois non-profit corporation, )  
and )  
Danny Lee Shelton, individually, )  
Plaintiffs )  
vs. )  
Gailon Arthur Joy )  
and )  
Robert Pickle )  
Defendants )  
\_\_\_\_\_

C.A. No. 07-40098-FDS

**DEFENDANTS' ANSWERS TO PLAINTIFFS COMPLAINT**

NOW COME Robert Pickle and Gailon Arthur Joy and offer this as their Answer to the Complaint of the Three Angels Broadcasting Network and Danny Lee Shelton, including the text of the Complaint for the pleasure and convenience of the Court:

**NATURE OF THE ACTION**

1. This action arises under the trademark laws of the United States, namely Title 15 of the United States Code (15 U.S.C. § 1051 *et seq.*) and Title 17 of the United States Code (17 U.S.C. §501 *et seq.*), and under state and federal common law and is for trademark infringement, trademark dilution, defamation, and intentional interference with advantageous economic prospective business advantage.

Defendants Answer to 1: a: Trademark Infringement: Plaintiffs are left to their proof as to the applicability of the trademark registration as it relates to the allegations of trademark

8. Venue in this District is proper pursuant to 28 U.S.C. §1391 because it is the judicial district where one or more of the Defendants resides and because it is a judicial district in which a substantial part of the events giving rise to Plaintiffs' claims and causes of action occurred.

Answer of Defendants to 8: Admitted

**FACTUAL ALLEGATIONS RELEVANT TO ALL COUNTS**

***Three Angels Broadcasting***

9. Founded in 1985 and incorporated in 1986, 3ABN is an Illinois non-profit corporation, the primary business of which is to operate and manage a Christian television and radio broadcast ministry. Plaintiff Shelton was an original founder of 3ABN and has been continuously involved in the ministry and its operations since its inception. Today, Shelton serves as President of 3ABN and is one of 3ABN's on-air ministry and music presenters.

Answer of Defendants to 9: Admitted that 3ABN was incorporated as a general not for profit in 1986; However, Defendants has insufficient knowledge to determine if the corporation remains a not for profit entity and in fact alleges sufficient information to question the current status of the corporations non-profit status in as much as the Defendants have, upon information and belief, sufficient information to believe that 3ABN may actually be controlled by Plaintiff Danny Lee Shelton and that Plaintiff treats the corporation as his own asset and purposefully profits from the same.

10. Although many of 3ABN's employees and volunteers, including Plaintiff Shelton, are members of the Seventh-Day Adventist faith, 3ABN is a non-denominational

13. Today, 3ABN is one of the larger Christian networks in North America and, operating from its headquarters and primary production facility in West Frankfort, Illinois, 3ABN broadcasts 24-hour television and radio programming through a global satellite network with potential viewers and listeners well into the millions. In support of its global ministry, 3ABN also operates a production facility in Nizhny Novogorod, Russia, and television facilities in the Philippines and New Guinea.

Answer of Defendants to 13:Plaintiff 3ABN is left to its proof as to its size, its global network, its "potential" viewers and listeners vs its actual viewers, its facilities in Russia, the Philippines and New Guinea and the return on investment value by the investors of the Seventh-day Adventist Church for the dollars entrusted as gifts, donations, trusts, and tithes of their earnings to 3ABN;However, upon information and belief, not all sums so entrusted may have been appropriately accounted for. Therefore denied.

14. As a provider of religious, spiritual and ministerial program services, 3ABN depends upon its reputation for theological integrity, operational capability, and financial soundness, in order to attract new viewers and listeners, retain current viewers and listeners, and sustain financial support for the ministry. 3ABN relies extensively and almost exclusively on the donations of viewers and supporters for its continued operation. Answer of Defendants to 14:Plaintiff is left to their proof as to their theological integrity, operational capability, financial soundness, or their ability to attract new viewers and listeners, retain viewers and listeners, and ability to sustain financial support. Upon information and belief, the actions of the Plaintiff Danny Lee Shelton, purportedly a founder and either current or former president of 3ABN, has conducted himself in such a

way as to violate theological integrity, undermine operational capability, to prey upon the financial soundness of the entity 3ABN and to inappropriately redirect large sums to his personal benefit with and without properly constituted corporate authority. Upon information and belief, the entity 3ABN has failed to take appropriate steps to curb the actions of Danny Lee Shelton, to set up appropriate accounting processes to account for sums gifted, and are purported to have in some cases, either failed to discipline or have endorse by vote or by “affirmation” to the actions undertaken by Danny Lee Shelton that had the affect to undermine 3ABN. Therefore denied.

***3ABN's Trademarks***

15. To protect its rights and goodwill, 3ABN has registered “3ABN” and “Three Angels Broadcasting Network” as trademarks with the United States Patent and Trademark Office.

Answer of Defendants to 15: If the entity 3ABN is a non-profit religious organization, then it would have no good commercial purpose and therefore would have limited trademark rights and would have no known commercially valuable goodwill, other than its actual or perceived theological integrity or operational integrity. It's financial soundness is, therefore, entirely dependent upon its theological integrity, not its trademark. Therefore, the plaintiffs are left to their proof that it even needed to protect its rights and goodwill. Therefore denied.

16. On October 19, 2004, Registration No. 2895078 (Classes 009, 016, 038, and 041) on the Principal Register of the U.S. Patent and Trademark Office, was duly and legally issued to Three Angels Broadcasting Network, Inc. for the mark 3ABN, claiming