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Subject: U.S. TRADEMARK APPLICATION NO. 78521891 - IPOD - N/A - EXAMINER BRIEF

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# UNITED STATES PATENT AND TRADEMARK OFFICE (USPTO)

**U.S. APPLICATION SERIAL NO.** 78521891

**MARK:** IPOD

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**GENERAL TRADEMARK INFORMATION:**

http://www.uspto.gov/trademarks/index.jsp

**TTAB INFORMATION:**

http://www.uspto.gov/trademarks/process/appeal/index.jsp

**APPLICANT:** APPLE INC.

**CORRESPONDENT'S REFERENCE/DOCKET NO:**

N/A

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## EXAMINING ATTORNEY'S APPEAL BRIEF

### INTRODUCTION

Apple Inc. (hereafter "Applicant") appeals the trademark examining attorney's refusal to register the mark "IPOD" for brochures, pamphlets, and leaflets in International Class 016 because Applicant's goods are not "goods in trade" under Sections 1, 2, and 45 of the Trademark Act, 15 U.S.C. §§1051-1052, 1127; TMEP §1202.06(b).

## FACTS

Pursuant to its application of November 23, 2004, Applicant seeks registration of the standard character mark "IPOD" for "*Printed materials and publications, namely, brochures, pamphlets, and leaflets, all relating to computer software, computer hardware, and multimedia apparatus and instruments and sold or distributed in connection with handheld mobile digital media players*" in International Class 016, as amended.

Applicant filed its application on November 23, 2004 under Sections 1(b) and 44(d) of the Trademark Act, intending to perfect to Section 44(e). Applicant amended its application and elected to not perfect to Section 44(e) on March 24, 2010.

Applicant filed its Statement of Use on July 12, 2013 which was refused in an Office action of August 13, 2013.[1]

Following applicant's Response to Office Action of July 18, 2014, and after examination of Applicant's multiple specimens of record, the examining attorney on August 19, 2014 finally refused registration of the applied-for mark under Sections 1, 2, and 45 of the Trademark Act because Applicant's brochures, pamphlets, and leaflets are not "goods in trade."

[1] The application was reassigned to the undersigned examining attorney on August 13, 2013.

Applicant requested reconsideration on February 19, 2015; that request was denied on March 15, 2015. This appeal follows.

## ISSUES

I. Does Applicant's July 12, 2013 specimen of record, a paper insert provided only with Applicant's "iPod classic" media player, exist as an independent good in trade apart from Applicant's media player?

II. If the paper insert is not an independent good in trade, does display of the wording "MADE FOR IPOD" on the July 18, 2014 substitute specimens from third-parties obviate refusal because consumers understand display of this wording to identify Applicant as the source of the third-party specimens?

## ARGUMENTS

I. Applicant's July 12, 2013 specimen of record does not exist as an independent good in trade because the paper insert is so inextricably tied to Applicant's media player as to have no viable existence or independent value apart from them and because the paper insert is neither separately sold nor distributed.

Refusal to register Applicant's mark should be affirmed because Applicant's July 12, 2013 specimen shows Applicant's brochures, pamphlets, and leaflets are not independent "goods in trade." Trademark Act Sections 1, 2, and 45, 15 U.S.C. §§1051-1052, 1127; TMEP §1202.06(b).

Goods in trade are items that an Applicant sells or transports in commerce for use by others. *See Lens.com, Inc. v. 1-800 Contacts, Inc.*, 686 F.3d 1376, 1379-80, 103 USPQ2d 1672, 1675 (Fed. Cir. 2012); TMEP §1202.06. For example, incidental items that an Applicant uses to conduct its business, such as letterhead, invoices, and business forms, are generally not goods in trade, because these items are only useful to the Applicant and are not separately sold or distributed to consumers. TMEP §1202.06; *see, e.g.*, *Lens.com, Inc. v. 1-800 Contacts, Inc.*, 686 F.3d at 1380, 1382, 103 USPQ2d at 1675-76 (holding computer software used for ordering contact lenses not goods in trade where Applicant solely provided online retail stores for eyewear products, and software was not sold separately and had no independent value apart from Applicant's primary service); *In re S'holders Data Corp.*, 495 F.2d 1360, 1361, 181 USPQ 722, 723 (C.C.P.A. 1974) (holding reports on subscribers' securities portfolios not goods in trade where Applicant solely provided financial reporting services, and reports were not sold separately and had no independent value apart from Applicant's primary service). Determination of whether an Applicant's goods are independent goods in trade is made on a case-by-case basis but relevant factors for evaluating whether Applicant's goods are goods in trade include:

(1) Are Applicant's goods so inextricably tied to and associated with Applicant's principal digital media players as to have no viable existence apart from them?

(2) Are Applicant's goods sold separately from or have any independent value apart from Applicant's digital media players?

*In re Thomas White Int'l, Ltd.*, 106 USPQ2d 1158, 1161-62 (TTAB 2013) (citing *Lens.com, Inc. v. 1-800 Contacts, Inc.*, 686 F.3d at 1382, 103 USPQ2d at 1676); TMEP §1202.06. No single factor is necessarily dispositive. *Lens.com, Inc. v. 1-800 Contacts, Inc.*, 686 F.3d at 1382, 103 USPQ2d at 1676; TMEP §1202.06.

As shown by Applicant's July 12, 2013 specimen, Applicant's brochure, pamphlets, and leaflet goods are in fact mere paper inserts provided with its "iPod classic" media player, not independent goods in trade. Applicant's paper inserts are only provided incidentally with Applicant's principal goods, i.e., its media players. The paper inserts have no viable existence apart from Applicant's media players because they are provided specifically to advertise to and to provide new users with basic information about the media players. The basic information provided is particular to Applicant's specific media player and the information is not generalizable to media players from different providers or different electronic devices.

Notably absent from the instant application's eleven-year prosecution history is any evidence from Applicant showing it independently sells or distributes, with or without charge, the paper insert. In fact, Applicant's December 23, 2013 Response to Office Action amends its identification of goods to specify its paper inserts are only sold or distributed in connection with its media players. While Applicant discusses instances where third-party owner's manuals unrelated to the instant application are sold individually, Applicant in fact makes no assertion that its paper inserts here are sold separately from its media players. *See* Applicant's Appeal Brief at Page 10.

Applicant's paper insert has no value independent and apart from its media player because the insert, titled "Quick Start," simply provides basic information and advertisements which are only relevant during initial use of Applicant's media players. Importantly, the paper insert is not an owner's manual. Independent value separate and apart from Applicant's principal media players cannot be attributed to the paper insert because its only value is derived from initial use of the media player. Applicant has argued that it "distributes IPOD Quick Start Guides to consumers for the consumers' benefit to understand how to maintain their purchased iPod devices and for service professionals who use the IPOD Quick Start Guide in connection with their technical support businesses." *See* Applicant's December 23, 2013 Response to Office Action at Page 2. Cursory review of Applicant's paper insert, however, shows this claim is suspect. The paper insert, for example, shows new users of Applicant's media players to browse up and down lists by scrolling up and down, to play or pause music by pressing the play/pause button, and to navigate forward or backward in a song or playlist by pressing the forward or backward buttons. The paper insert shows new users how to power on or off the device. Considerable portions of the paper insert are devoted to advertising Applicant's iTunes Store[2] and to informing users where to obtain the media player's complete user's guide. *See* Applicant's July 12, 2013 specimen of record informing purchasers, "For complete instructions and important safety information, see the iPod classic User Guide: www.apple.com/support/manuals/ipod" at Page 1; "Download and install iTunes: www.apple.com/ipod/start," "View the user guide: www.apple.com/support/manuals/ipod," and "Get music and more at the iTunes Store" at Page 2.

Applicant's claim that the paper insert provides value independent and apart from its media players because repair professionals require these basic instructions is dubious. Equally dubious is the

[2] Applicant obscures the fact its paper insert provides advertising by misdirecting the Board: "Specimens can hardly be considered advertising for the iPod device since they are shipped in the same box as the iPod device itself (or, in the case of the Substitute Specimens, the boxes of third-party products) and are not published in the press or broadcast over the air." *See* Applicant's Appeal Brief at Page 7. Advertisements, which Applicant concedes are not goods in trade, are of course not limited to simply advertisements for iPod media players. In this case, Applicant's paper insert features advertising for Applicant's iTunes store.

notion that owners of Applicant's media player will require incessant guidance for rudimentary functions like turning on the device or skipping forward and backward in a song. Information on maintaining the media player is entirely lacking from the paper insert despite Applicant's claim that it provides users with maintenance information. The omission of such maintenance information is less glaring when one considers the title of the specimen: “Quick Start.” The paper insert is a “Quick Start” insert intended for providing only basic introductory information on the media player.

Applicant's arguments in favor of registration center on (1) its inappropriately narrow understanding that a goods in trade refusal can largely issue only when goods are provided incidental to the provision of services and (2) an unsupported belief that the Trademark Office commonly allows registration of what Applicant claims are analogous goods.

Goods in trade refusals are not limited to instances when an Applicant seeks registration for goods provided incidentally with services. Applicant argues the examining attorney fashions a novel standard and issues an unsupportable refusal because the examining attorney “eliminate[s] prong (1) of the *Lens.com* test, i.e., ‘whether the goods are simply the conduit or necessary tool useful only to obtain Applicant's services.’” *See* Applicant's Appeal Brief at Page 9. Applicant mistakes a legal factor for consideration with a legal element which requires satisfaction. As discussed above, decisions regarding whether goods are independent goods in trade are made on a case-by-case basis. *In re Thomas White Int’l, Ltd.*, 106 USPQ2d 1158, 1161-62 (TTAB 2013) (citing *Lens.com, Inc. v. 1-800 Contacts, Inc.*, 686 F.3d at 1382, 103 USPQ2d at 1676); TMEP §1202.06. Also as discussed above, no single factor is necessary for establishing whether a goods in trade refusal should issue; no single factor is dispositive. *Lens.com, Inc. v. 1-800 Contacts, Inc.*, 686 F.3d at 1382, 103 USPQ2d at 1676; TMEP §1202.06(b).

Applicant's belief in the existence of a judicial test that requires fulfillment of all legal elements is unfounded. Goods in trade refusals have been affirmed by the Trademark Trial and Appeal Board

irrespective of whether an Applicant's goods are offered incidental to the provision of services. In *In re MGA Entm't, Inc.,* 84 USPQ2d 1743 (TTAB 2007)*,* the Trademark Trial and Appeal Board affirmed refusal to register select paper goods in International Class 016 because those paper goods were provided incidental to Applicant's other goods, not services. Affirming refusal, the Board held that the Applicant's "goods are incidental to Applicant's primary goods, namely, toys, games and playthings, and are not goods in trade of Applicant." *In re MGA Entm't, Inc.*, 84 USPQ2d at 1747 (TTAB 2007). The rationale for affirming refusal was clearly stated: the goods at issue in *In re MGA Entm't, Inc.* are not goods in trade because they were provided incidental to the Applicant's primary toy goods.[3]

Misunderstanding factors for consideration with legal elements that require satisfaction when determining whether a goods in trade refusal should issue results in obvious objectionable and untenable outcomes. Under Applicant's interpretation, providers of packaged bread would be allowed to obtain registration for twist ties used for closing bread bags because the twist ties are provided incidentally with other goods, bread, but not services. Providers of tea would be allowed to obtain registration for paper labels attached to string because the labels are provided incidentally with goods, teabags, but not services. Applicant's unsustainably narrow understanding for when goods in trade refusals issue provides little support for its request that the goods in trade refusal here should be reversed.

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[3] Concluding its analysis, the Board's summary reads in full: "In sum, the goods in this case, trapezoidal boxes for toys, games and playthings, are unlike the ball point pens and calendars in Snap-On Tools and United Merchants & Manufacturers, Inc., respectively. We agree with the examining attorney that such goods are incidental to applicant's primary goods, namely, toys, games and playthings, and are not goods in trade of applicant. Accordingly, the refusal on the ground that the identified goods do not constitute goods in trade is affirmed." *In re MGA Entm't, Inc.*, 84 USPQ2d at 1747 (TTAB 2007).

Applicant reiterates the conclusion of *In re MGA Entm't, Inc.* similarly in Footnote 7 at Page 7 of its Appeal Brief when summarizing the holding of the Board: "holding packaging boxes for toys, games, and playthings not goods in trade where packaging boxes were not sold separately and had no independent value apart from applicant's primary goods."

Applicant's belief that the Trademark Office commonly allows registration of what it claims are analogous goods is also unsustainable. The Trademark Office does not regularly allow registration for goods akin to Applicant's paper insert. Applicant provides little evidence to support its claim that "the routine practice of the PTO is to accept specimens of consumer electronics companies—such as simple user guides offered with hardware and software—many of which are akin to Apple's specimen." *See* Applicant's Appeal Brief at Page 12. Applicant's Appeal Brief directs the Board to evidence provided in its July 18, 2014 Response to Office Action where only 22 registrations are discussed. Of the 22, ten registrations are in fact cancelled. *See* cancelled Registration Nos. 2672306, 3381636, 1756129, 2841572, 1841310, 2559461, 2613064, 2602038, 1899477, and 1893092. What is more, despite Applicant's claim that the referenced third-party registrations are for goods akin to Applicant's own, many of the registrations are for owner's manuals with specimens that are different in kind from Applicant's paper insert. These third-party registrations do not support Applicant's claim that the Trademark Office routinely allows registration of its paper inserts. *See* prosecution histories made of record in the Final Office Action of August 19, 2014 of U.S. Registration No. 1953885 DESIGNWARE, which includes a specimen of over 400 pages; cancelled U.S. Registration No. 2559461 Design Mark, which includes a specimen of over 135 pages, U.S. Registration No. 2201867 PENTIUM, which includes a specimen of over 45 pages at registration; cancelled U.S. Registration No. 2672306 3COM, which includes a complete booklet as the specimen of record; and U.S. Registration No. 2841572, which includes extracts from a larger publication as its specimen of record. These third-party registrations, including the many dead registrations, have little probative value with respect to determining the registrability of Applicant's mark.

Applicant provides only sparse evidence to support its claim that the Trademark Office regularly allows registration for its goods. When evaluating Applicant's sparse evidence, it is important to note that prior decisions and actions of other trademark examining attorneys in registering other marks have

little evidentiary value and are not binding upon the USPTO or the Trademark Trial and Appeal Board. TMEP §1207.01(d)(vi); *see In re Midwest Gaming & Entm't LLC*, 106 USPQ2d 1163, 1165 n.3 (TTAB 2013) (citing *In re Nett Designs, Inc.*, 236 F.3d 1339, 1342, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001)). Each case is decided on its own facts, and each mark stands on its own merits. *See AMF Inc. v. Am. Leisure Prods., Inc.*, 474 F.2d 1403, 1406, 177 USPQ 268, 269 (C.C.P.A. 1973); *In re Binion*, 93 USPQ2d 1531, 1536 (TTAB 2009).

Applicant's paper inserts are so inextricably tied to and associated with Applicant's principal media players as to have no viable existence apart from them. Applicant's goods are neither sold nor distributed separately from its media players. What is more, Applicant's provision of substitute specimens is insufficient for obviating the refusal.

II. <u>Display of the wording "MADE FOR IPOD" on manuals from Sony Corporation and Yamaha Corporation does not obviate the goods in trade refusal because consumers of goods from Sony and Yamaha will not perceive Applicant to be the source of manuals that accompany Sony and Yamaha goods.</u>

Applicant provided on July 18, 2014 substitute specimens from Sony Corporation and Yamaha Corporation that does not display Applicant's mark in a manner that indicates Applicant is the source of the specimens. The Sony and Yamaha specimens are owner's manuals for speaker systems and connection docks from Sony and Yamaha that display the wording "MADE FOR IPOD". Instead of conveying source, the wording "MADE FOR IPOD" indicates subject matter in the nature of compatibility for the speakers and docks. Consumers viewing the wording "MADE FOR IPOD" on owner's manuals for speakers and docks will clearly interpret this wording to mean the speakers and docks are made for use

with iPod media players. These third-party owner's manuals, therefore, cannot obviate the goods in trade refusal.

Applicant, however, argues "MADE FOR IPOD" identifies itself, Apple Inc., as the source of the third-party owner's manuals for goods from Sony Corporation and Yamaha Corporation. Applicant's rationale is tortured:

> [S]ince the usage shown on the Substitute Specimens is licensed use controlled by Apple, the Substitute Specimens clearly do serve as source identifiers to consumers for the third- party Sony and Yamaha publications, because consumers understand that the use of Apple's IPOD mark signifies that the devices and publications bearing such mark are officially licensed products, and that Apple has reviewed and approved such products, and therefore is functioning as a source for the brochures. As a result, the Substitute Specimens are valid "goods in trade" as they depict bona fide use of the IPOD mark in the ordinary course of trade on brochures of independent value pursuant to a license from Apple.

*See* Applicant's Appeal Brief at Pages 15-16. Applicant in essence argues display of the wording "MADE FOR IPOD" works to identify Applicant as the source of the Sony and Yamaha manuals because the speakers and docks with which the manuals are provided meet compatibility standards determined by the Applicant. Upon meeting these standards, Sony and Yamaha display the wording "MADE FOR IPOD" on the speaker and dock manuals as licensees. Consequently, and because it was Applicant that determined the compatibility standards met by the speakers and docks, Applicant then somehow becomes a source for the manuals provided with the speakers and docks. Still further, Applicant argues consumers are aware of the sequence and logic described by the Applicant above. The implausibility of Applicant's argument is underscored when considered beside the more sensible alternative for how consumers interpret Sony's and Yamaha's display of the wording "MADE FOR IPOD": The speakers and docks are made for use with iPod media players.

## CONCLUSION

Applicant's July 12, 2013 specimen of a “Quick Start” paper insert does not exist as an independent good in trade. The paper insert is neither sold nor distributed by the Applicant separately from its media players. The paper insert is so inextricably tied to Applicant's media player as to have no viable existence apart from them. What is more, the insert has no independent value apart from Applicant's media player because any value offered exists only upon introductory use of the media player. Despite Applicant's hypothetical arguments concerning possible uses by consumers and repair professionals, Applicant's own labeling of the paper insert as a “Quick Start” insert is informative for determining whether Applicant's goods have value independent and apart from Applicant's media players.

Display of the wording “MADE FOR IPOD” on third-party owner’s manuals from Sony Corporation and Yamaha Corporation does not obviate the goods in trade refusal because consumers of goods from Sony and Yamaha will not perceive this wording to identify Applicant as the source of the Sony and Yamaha manuals. Instead, consumers will understand Sony’s and Yamaha’s display of the wording “MADE FOR IPOD” on speaker and dock manuals to mean the speakers and docks are made for use with iPod media players.

Applicant inappropriately states that a goods in trade refusal can largely issue only when goods are provided incidental to the provision of services. This understanding is unsupported in law and results in untenable outcomes in practice. Applicant can only provide sparse evidence to show the Trademark Office commonly allows registration for its goods because no common practice in fact exists.

In light of the foregoing, the examining attorney respectfully requests the Board affirm refusal of Applicant's mark because the specimens of record are not goods in trade under Sections 1, 2, and 45 of the Trademark Act.

Respectfully submitted,

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