ESTTA Tracking number: **ESTTA352153**
Filing date: **06/10/2010**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91188903
Party	Defendant Fabasoft AG
Correspondence Address	Stewart J. Bellus Collard & Roe, P.C. 1077 Northern Blvd. Roslyn, NY 11576-1614 UNITED STATES sbellus@collardroe.com
Submission	Response to Board Order/Inquiry
Filer's Name	STEWART J BELLUS
Filer's e-mail	sbellus@collardroe.com
Signature	/sjb/
Date	06/10/2010
Attachments	fabasoft resp to ttab order.pdf (8 pages)(458167 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

----------x

APPLE INC.,

Opposer, Opposition No. 91188903

v.

FABASOFT AG,

Applicant.

----------x

RESPONSE TO TTAB ORDER DATED MAY 28, 2010

Applicant, FABASOFT AG, responds to this Board's May 28, 2010 order as follows:

1. In order to fully consider the motion to suspend, this Board required Applicant to submit a copy of pleadings from proceedings in Germany within 15 days.

2. Applicant advises that pleadings in the German cases are a large number of pages, and with translation charges of 50 Euros per page, would be very expensive to reproduce. For that reason, Applicant has prepared the attached "abstract" summarizing the German cases, and focusing on issues relevant to this opposition.

3. As the abstract will inform this Board of information necessary to decide whether the opposition should be suspended, Applicant respectfully requests that this Board accept the abstract as a substitute for actual pleadings.

WHEREFORE, Applicant again requests that this Opposition be suspended.

FABASOFT AG

Stewart J. Bellus
Frederick Dorchak
Aimee L. Kaplan
Attorneys for Applicant
COLLARD & ROE, P.C.
1077 Northern Boulevard
Roslyn, New York 11576
(516) 365-9802

Date: June 10, 2010

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing RESPONSE TO TTAB ORDER DATED MAY 28, 2010 has this 10TH day of June, 2010, been sent by prepaid First Class Mail to the following attorneys for Opposer:

Joseph Petersen
Stephen Jadie Coates
Kilpatrick Stockton LLP
31 West 52nd Street, 14th Floor
New York, NY 10019

Stewart J. Bellus

T:\users\sbellus\apple reponse to TTAB order.wpd

Aktenvermerk

in Sachen	**app.strudl Software GmbH ./. Apple Inc.**
Reg.Nr.:	00134-10
Erstellt am:	07.06.2010
Betreff:	Brief overview proceedings Apple Inc. vs. app.strudl software GmbH in Germany

I. General

Basically speaking apple is pursuing legal action against app.strudl software GmbH before German courts with regard to two cases of alleged trademark infringement:

1. Infringement of "apple" trademark by "appl.strudl" / "applstrudl" / "appl.strudl Software Telemetry" and

2. Infringement of "apple" trademark by "app.strudl" / "appstrudl" / "app.strudl Software Telemetry"

Concerning both cases of alleged infringement preliminary as well as principal proceedings are currently pending. The lines of argument being used by both parties are highly similar within those separate proceedings (with the most significant difference in app.strudl Software GmbH's argumentation being that while both, appl. and app. are plainly descriptive abbreviations characterising the contents of the sold product – software for application management – the abbreviation app. is not only common within circles of experts but – due to apples advertising – even among consumers).

As only "app.strudl" respectively "app.strudl Software Telemetry" is currently used by the client, we limit our overview to the lines of argument used within the app.strudl principal proceedings. The points stated below only provide a rough overview, of course more information can be provided upon request.

II. Overview court proceedings

Since February 2009 court proceedings have been pending between Apple Inc. and app.strudl Software GmbH before the competent courts of Hamburg, Germany, as follows:

1. **Preliminary preceding:** alleged infringement of "apple" trademark by "appl.strudl" / "applstrudl" / "appl.strudl Software Telemetry"

On 25th February 2009 apple obtained a preliminary injunction by the competent district court of Hamburg (reference 312 O 87 / 09) enjoining app.strudl Software GmbH (then operating under the name of appl.strudl Software GmbH) from using the names "applstrudl" and / or "appl.strudl" and / or "appl.strudl Software Telemetry". The decision was made by court decree without prior hearing of app.strudl Software GmbH. In those cases the decision can be challenged by filing an objection ("Widerspruch") with the competent court. app.strudl Software GmbH filed such a "Widerspruch" on 6th April 2009. The lawsuit was referred to the competent chamber of commerce of Landgericht Hamburg (new reference: 407 O 75/09). An oral hearing was held on 9th Juni 2009. With the final judgement by Landgericht Hamburg, rendered on 30th June 2009 the preliminary injunction was affirmed.

app.strudl software GmbH appealed against this verdict on 6th November 2009 to the competent higher regional court (Hanseatisches Oberlandesgericht Hamburg, reference: 3 O 151/09). The appeal proceedings are currently pending, an oral hearing will be held on 10th June 2010.

2. **Principal proceedings:** alleged infringement of "apple" trademark by "appl.strudl" / "applstrudl" / "appl.strudl Software Telemetry".

As the preliminary injunction does not constitute a final decision but only preliminary measures, on 18th march 2010 Apple Inc. initiated principal proceedings by filing a lawsuit at the competent district court of Hamburg (Landgericht Hamburg, reference 312 O 138/10).

No statement of defence has been filed yet.

3. **Preliminary proceedings:** alleged infringement of "apple" trademark by "app.strudl" / "appstrudl" / "app.strudl Software Telemetry".

After the first preliminary injunction app.strudl Software GmbH changed all names from appl.strudl to app.strudl.

The new name was challenged by Apple Inc. as well and proceedings, corresponding to those described above, were initiated by Apple Inc. On 20th April 2009 Apple Inc. obtained a preliminary injunction by the competent district court of Hamburg (Landgericht Hamburg, reference 312 O 219/09). The court decision

was challenged by app.strudl Software GmbH by filing a "Widerspruch" on 29th June 2009. An oral hearing took place on 28th July 2009.

With the verdict of 06th October 2009 Landgericht Hamburg affirmed the preliminary injunction.

On 13th November 2009 app.strudl software GmbH appealed against this verdict by filing a "Berufung". The appeal proceedings are currently pending, an oral hearing will take place on 10th June 2010 (Hanseatisches Oberlandesgericht Hamburg, reference 3 O 154/09).

4. **Principal proceedings:** alleged infringement of "apple" trademark by "app.strudl" / "appstrudl" / "app.strudl Software Telemetry".

On 23 December 2009 apple initiated principal proceedings concerning the alleged trademark infringement by use of "app.strudl" / "appstrudl" / "app.strudl Software Telemetry" by filing a lawsuit to Landgericht Hamburg. app.strudl Software GmbH filed their statement of defence on 1st April 2010.

Summarised the lines of argument used by both parties can roughly be described as follows:

III. Main arguments

The outcome of the lawsuit mainly depends on the question of trademark infringement (infringement of "apple" trademark by "app.strudl").

Sec. 14 of the German Trademark Act, which is relevant for the question of trademark infringement, provides:

(1) The acquisition of trade mark protection pursuant to Section 4 shall confer on the proprietor of the trade mark exclusive rights therein.
(2) Third parties shall be prohibited from using in the course of trade, without the consent of the proprietor of the trade mark,
  1. any sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trademark is protected;
  2. any sign where, because of its identity with, or similarity to, the trade mark and the identity of the goods of services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public, including the likelihood of confusion on the part of the public, including the likelihood of association between the sign an the trade mark / or,
  3. (...)

(3) If the prerequisites specified in subsection (2) are met, the following, in particular, shall be prohibited:
1. *affixing the sign to goods or to their packaging or wrapping;*
2. *offering the goods, putting them on the market or stocking them for these purposes under that sign;*
3. *offering or supplying services under that sign;*
4. *importing or exporting the goods under that sign;*
5. *using the sign on business papers or in advertising.*

(4) Without having the consent of the proprietor of the trade mark, third parties shall be prohibited in the course of trade from:
1. *affixing a sign which is identical with or similar to the trade mark to packaging or wrappings or to means of making such as labels, tags, sewn-on labels or the like;*
2. *offering packaging, wrappings or the means of marking under a sign which is identical with or similar to the trade mark, putting them on the market or stocking them for these purposes under that sign; or,*
3. *importing or exporting packaging, wrappings, or means of making under a sign which is identical with or similar to the trade mark,*

if there is a risk that the packaging or wrappings are being used for the packaging or the wrapping of goods or services, or the means of marking for marking goods or services, in respect of which, pursuant to subsections (2) and (3), third parties would be prohibited from using that sign.

(5) Any person who uses a sign in breach of subsections (2) to (4) may be sued by the proprietor of the trade mark to enjoin such use. (...)

(6) Any person who undertakes such infringing action intentionally or negligently shall be liable for compensation to the proprietor of the trade mark for damage suffered therefrom. (...)

(7) (...)

As mentioned Apple Inc. has initiated principal proceedings against app.strudl Software GmbH's use of "app.strudl" / "appstrudl" / "app.strudl Software Telemetry". Within the complaint Apple Inc files the motions to enjoin app.strudl Software GmbH from using the names "appstrudl" "app.strudl and "appstrudl Software Telemetry", to award damages, to provide information on the use of those names, to call back all products labelled with those names and to publish the verdict to be made within those proceedings.

Apple Inc. argues, that there is a risk of confusion, or, in any case, a risk of association, as

- The former alleged trademark infringement by use of "appl.strudl" continues to have an effect
- app.strudl Software GmbH's marketing aims at German customers
- Due to the high brand awareness ("apple" being a famous trademark) the "apple" trademark enjoys a high distinctiveness, therefore there are only minimum requirements to a trade mark infringement.
- "app.strudl" sounds and looks similar to "apple".

- app.strudl Software GmbH presents the word component "app" in bold letters. As a consequence, "app" constitutes the characteristic feature of the trade mark. (the fact, that in comparison to apple the "le" is missing, carries no weight)
- Due to the "." It becomes clear, that "app" is meant to be an abbreviation for "apple". Potential customers will not recognise "app" as an abbreviation for "applications" but as an abbreviation for "apple ". Because of the second word component "strudl" and the meaning of "app.strudl" the "app" undeniably stands for "apple".
- The products sold by both parties are identical

Furthermore apple argues, that app.strudl Software GmbH is in breach of competition law. According to apple, by using the names "app.strudl" and "app.strudl Software Telemetry", app.strudl Software GmbH" exploits the good reputation the trademark "apple" enjoys.

app.strudl software GmbH's defence states, that there is no risk of confusion, thus no trademark infringement, for several reasons, to be summarized as follows:

- There is only a minor identity of the products sold under the disputing marks. Whereas Apple Inc. sells all kinds of electronic consumer products and "apple" can be characterised as a lifestyle trademark, app.strudl Software GmbH trades with specialised administrative software. Their potential consumers are professional circles only. Their product cannot be purchased in retail trade but only from "app.strudl Software GmbH" or their parent company directly.
- The idea behind "app.strudl" was to create a catchy trade name. "app.strudl" was chosen for its similarity to the Austrian dish "Apfelstrudel" in order to create a pun, with the first word component "app" characterising the sold product " (software for application management) while at the same time the allusion to the Austrian dish makes clear, that the product comes from an Austrian company
- Together with the name "app.strudl" a specially created logo is used, which, just like a "strudel" consists of different layers.
- The word component "app." can clearly be identified as an abbreviation for "application". Not least Apple Inc. themselves have – by excessive advertising – made that abbreviation popular not only within professional circles, but with consumers worldwide. The use of this well known abbreviation cannot constitute an infringement of the "apple" trademark, as the consumers are used to the fact that different companies use this abbreviation to characterise their products (google-apps, blackberry-apps etc.) without creating a risk of confusion with the "apple" trade mark.
- "apple" and "app.strudl" respectively "app.strudl Software Telemetry" are phonetically and visually clearly distinctive. They only mach in the first three letters "app".

Those letters constitute a plainly descriptive characterisation of the product sold by app.strudl Software GmbH.

- Whereas "apple" is an english word, "app.strudl" derives from the german word "Apfelstrudel". Type face and pronunciation are clearly distinctive. "apple" consists of 5 letters, "app.strudl" of 9. Leaving out the "e" within the word "strudel" intensifies the impression of the word being Austrian colloquial language.
- The logos used by both parties are different.
- "app.strudl" consists of two word components, out of which "app" cannot be qualified as the characteristic feature. It is recognised under German trademark law that plainly descriptive components of the trademark will not be qualified as characteristic features. Therefore potential consumer's attention will be drawn to the other components, such as "strudl" or "Software Telemetry" or the "strudl" – logo. As for those word components there is no similarity to the "apple" trademark no risk of confusion exists.
- It is well known among consumers, that "apple" does not use combined product names with "apple" being one part of the combined name. Furthermore "apple" never uses german product names.
- A software firm cannot be enjoined from using a descriptive abbreviation (app) that characterises the software sold under trademark law. It is not possible to register "app" as a trademark for software applications, as concerning those products, the abbreviation is plainly descriptive. The other way round the use of such a descriptive word component may not be prohibited due to its similarity with an existing trademark.
- The former alleged trademark infringement by use of "appl.strudl" has been challenged as well. Apart from that, there is no evidence as to the alleged continuance of effect.

Apart from that there is no breach of competition law. app.strudl Software GmbH does not exploit the good reputation of the "apple" trademark. The good reputation of the lifestyle trademark "apple" cannot be transferred to app.strudl Software GmbH's highly specialised administration software products.