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

Proceeding	91200355
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

Application Serial No. 78/575,442)
Filed: February 25, 2005)
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Gazette)
For: SOUND MARK)
)
Motorola Mobility, Inc. and Motorola)
Trademark Holdings, LLC,)
)
Opposers,)
vs.)
Nextel Communications, Inc.)
)
Applicant.)

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, Virginia 22313-1451

**OPPOSERS' MOTION FOR SUMMARY JUDGMENT ON THE ISSUES OF RES
JUDICATA AND COLLATERAL ESTOPPEL**

Pursuant to Fed. R. Civ. P. 56, Trademark Rule 2.127(e)(1), and the Board's Order¹ dated December 8, 2011, Opposers Motorola Mobility, Inc. and Motorola Trademark Holdings, LLC (collectively, "Motorola") hereby move for summary judgment on the grounds of res judicata (claim preclusion) and collateral estoppel (issue preclusion).

Applicant Nextel Communications, Inc.'s "chirp" tone sound mark application is barred under the doctrines of claim preclusion and issue preclusion. In a prior precedential decision

¹In denying Applicant's motion to dismiss the Notice of Opposition in the present case, the Board specifically authorized the parties to submit cross-motions for summary judgment on these issues. (See Order dated December 8, 2011 (Dkt. #8) ("The parties are allowed until sixty (60) days from the mailing date of this order in which to file herein cross-motions for summary judgment pursuant to Fed. R. Civ. P. 56, on the issue of res judicata and/or collateral estoppel."))

involving the same mark and parties, the Board held that the chirp tone sound mark was unregistrable because: (1) it failed to function as a mark; (2) it was not inherently distinctive; and (3) it had not acquired distinctiveness. That prior proceeding: (1) bars this second sound mark application involving the same parties and the same claim under the doctrine of claim preclusion (*res judicata*); and (2) bars relitigation of those same issues under the doctrine of issue preclusion (*collateral estoppel*).

I. INTRODUCTION

Motorola and Applicant Nextel Communications, Inc. (“Nextel”) each applied to register the identical audible sound mark. Both parties used identical descriptions of the sound mark in their applications, namely, a tone at “1800 HZ PLAYED AT A CADENCE OF 24 MILLISECONDS (MS) ON, 24 MS OFF, 24 MS ON, 24 MS OFF, 48 MS ON.” Due to its intermittent on-off-on-off-on cadence, the Chirp Tone sounds like an electronic “chirp” (hereafter, the “Chirp Tone”). Motorola’s Chirp Tone application, Ser. No. 78/235,365,² covered communications goods in International Class 9, namely “cellular telephones and two-way radios” (the “iDEN® Goods”). There is no dispute that Nextel’s Chirp Tone application, Ser. No. 78/575,442, which is the application at issue in the present opposition, covers the identical Chirp Tone sound mark. Nextel’s application at issue in this proceeding covers communications services (the “iDEN® Services”) offered to consumers through Motorola’s iDEN® Goods.

Motorola filed its Chirp Tone trademark application prior to Nextel’s service mark application. As a result, Motorola’s application was published for opposition prior to Nextel’s.

² A true and correct copy of the TARR listing for Motorola’s Chirp Tone application (78/235,365) is attached as Exhibit 1 to the Declaration of Alissa Hodgson in Support of Opposers’ Motion for Summary Judgment on the Issues of *Res Judicata* and *Collateral Estoppel* (“Hodgson Decl.”). The Hodgson Decl. is filed as Appendix A to this motion.

Nextel opposed Motorola’s Chirp Tone application on several grounds in the prior preclusive proceeding. Those grounds included the claim that the Chirp Tone did not function as a mark in connection with the applied-for goods and “is not inherently distinctive and has not acquired distinctiveness as to the goods in the [application]” (App. A, Hodgson Decl. at Ex. 2 (*Nextel v. Motorola* Opp. ¶¶ 8, 9(a).)³ That proceeding was captioned *Nextel Communications, Inc. v. Motorola, Inc.*, Opp. No. 91/164,363 (hereafter, “*Nextel v. Motorola*”). Nextel ultimately prevailed in the *Nextel v. Motorola* proceeding. The resulting decision was published as *Nextel Communications, Inc. v. Motorola, Inc.*, 91 U.S.P.Q.2d 1393 (T.T.A.B. 2009) (precedential). In that precedential *Nextel v. Motorola* decision, the Board refused registration on three grounds:

(1) The Board held that the Chirp Tone failed to function as a trademark in connection with “two-way radios.” It based its holding on issue preclusion grounds⁴ because it held that the issue was actually decided in a prior proceeding between Nextel and Motorola. *Id.* at 1399. That prior proceeding was an opposition filed by Nextel against Motorola’s application to register a similar “chirp” sound mark broadcast at a lower 911 Hz pitch (Ser. No. 78/235,618) (hereafter, the “911 Hz Chirp”). In that first opposition (Opp. No. 91/161,817), the Board held that Motorola’s 911 Hz Chirp failed to function as a mark in connection with two-way radios. *Id.* at 1399. As a result of the 911 Hz Chirp holding, Motorola’s application to register the Chirp Tone for two-way radios was barred on issue preclusion grounds in *Nextel v. Motorola. Id.*

(2) The Board held that the Chirp Tone was not inherently distinctive in connection with “cellular telephones.” *Nextel*, 91 U.S.P.Q.2d at 1408; and

³ A true and correct copy of Nextel’s Amended Notice of Opposition in *Nextel v. Motorola* (“*Nextel v. Motorola* Opp.”) is attached as Exhibit 2 to the Hodgson Decl.

⁴ Although Nextel did not plead it in its Amended Notice of Opposition, the Board deemed the pleadings to be amended to include issue preclusion as a ground for opposition. *Nextel*, 91 U.S.P.Q.2d at 1399.

(3) The Board held that the Chirp Tone had not acquired distinctiveness in connection with “cellular telephones.” *Nextel*, 91 U.S.P.Q.2d at 1408.

Nextel chose to oppose Motorola’s Chirp Tone application on invalidity grounds. It must now live with the consequences of that prior proceeding. The U.S.P.T.O., including Board precedent, recognizes the concept of “related” goods and services. It is well-settled that a mark which is unprotectable in connection with particular goods is also unprotectable in connection with the related services. *See, e.g., In re Tires, Tires, Tires*, 94 U.S.P.Q.2d 1153, 1157 (T.T.A.B. 2009) (precedential). However, this proceeding goes beyond mere “related” goods and services. Nextel’s applied-for communications services are indivisible from the previously adjudicated iDEN® Goods. As described below, the goods and services provided by Motorola and Nextel under the Chirp Tone are inseparable. At Nextel’s urging, the Board held that the Chirp Tone was merely an “operational alert tone.” *Nextel*, 91 U.S.P.Q.2d at 1401-02. That holding also dooms Nextel’s Chirp Tone application.

As a result of the Board’s decision in *Nextel v. Motorola*, Nextel’s application to register the Chirp Tone in connection with its iDEN® Services is precluded under the doctrines of claim preclusion and issue preclusion. Motorola is entitled to summary judgment.

II. STATEMENT OF FACTS

A. The Parties’ iDEN® Goods and Services

Motorola’s summary judgment motion is based on the Board’s prior precedential *Nextel v. Motorola* decision, published as *Nextel Communications, Inc. v. Motorola, Inc.*, 91 U.S.P.Q.2d 1393 (T.T.A.B. 2009) (precedential). The mark at issue in *Nextel v. Motorola* was an audible sound mark, the “Chirp Tone,” which was embedded into Motorola handsets operating on its proprietary iDEN® network. iDEN® stands for “integrated digital enanced network.” (App.

B, Aloumanis Decl. ¶3.)⁵ All iDEN® handsets emit the Chirp Tone. (App. A, Hodgson Decl. at Ex. 3 (Aloumanis Testimony at 9).⁶)

The distinguishing characteristic of the iDEN® product line is the incorporation of a walkie-talkie feature into a cellular telephone. iDEN® handsets operate on Motorola's proprietary iDEN® network. *Nextel*, 91 U.S.P.Q.2d at 1397; App. B, Aloumanis Decl. ¶3. Motorola sells the handsets and the operating infrastructure⁷ to its customers who, in turn, re-sell the handsets to end-user consumers as part of communications services packages. Motorola's two largest iDEN® customers are Nextel and Nextel's competitor Southern Communications. Nextel and Southern Communications purchase iDEN handsets and network infrastructure from Motorola, then re-sell the handsets to end-user consumers.⁸ *Nextel*, 91 U.S.P.Q.2d at 1397; see also App. A, Hodgson Decl. at Ex. 4 (Schweitzer Testimony⁹ at 13-14) and Ex. 3 (Aloumanis Testimony at 28). As the Board held in *Nextel v. Motorola*, "[t]ogether, the parties have been in a long-standing business relationship, whereby [Motorola] manufactures phones and phone accessories that function on MOTOROLA network infrastructure operated by [Nextel], and which phones and accessories are sold to [Nextel] for resale to [Nextel's] cellular service customers." *Nextel*, 91 U.S.P.Q.2d at 1398.

⁵ The Declaration of Peter Aloumanis in Support of Opposers' Motion for Summary Judgment on the Issues of Res Judicata and Collateral Estoppel ("Aloumanis Decl.") is filed as Appendix B to this motion.

⁶ Excerpts from the testimonial deposition of Motorola witness Peter Aloumanis from the prior *Nextel v. Motorola* proceeding are submitted as Ex. 3 to the Hodgson Decl. filed as Appendix A to this motion. Motorola has concurrently filed a motion for leave under 37 C.F.R. § 2.122(f) to rely on prior testimony from the *Nextel v. Motorola* proceeding.

⁷ The iDEN® infrastructure equipment is supplied under a cooperation agreement between Motorola Solutions, Inc. and Motorola Mobility, Inc. (App. B, Aloumanis Decl. at 4.)

⁸ Nextel's iDEN® Services are offered under the name "Direct Connect." Southern Communications (d/b/a SouthernLINC)'s iDEN® Services are offered under the name "InstantLINC." (App. A, Hodgson Decl. at Ex. 3 (Aloumanis Testimony at 32-33).)

⁹ Excerpts from the testimonial deposition of Nextel witness Mark Schweitzer from the prior *Nextel v. Motorola* proceeding are submitted as Ex. 4 to the Hodgson Decl. filed as Appendix A to this motion. Motorola has concurrently filed a motion for leave under 37 C.F.R. § 2.122(f) to rely on prior testimony from the *Nextel v. Motorola* proceeding.

Motorola's iDEN® handsets emit the audible Chirp Tone in connection with the handsets' unique and distinguishing walkie-talkie communications feature. The handsets emit the Chirp Tone when a user initiates a walkie-talkie communication and the handset is able to establish an open channel for communications. (Dkt. #10, Nextel Answer¹⁰ ¶¶ 4, 25.) When the user hears the audible Chirp Tone, he or she initiates the service and knows that the walkie-talkie communication service is available. *Nextel*, 91 U.S.P.Q.2d at 1397; see also App. A, Hodgson Decl. at Ex. 3 (Aloumanis Testimony at 9, 33-34). The Chirp Tone signifies the "key differentiator for [Motorola's iDEN®] product relative to all the other handsets and equipment in the market...." (App. A, Hodgson Decl. at Ex. 3 (Aloumanis Testimony at 13-14).)

B. U.S.P.T.O. Proceedings

Motorola filed its Chirp Tone trademark application (U.S.P.T.O. Ser. No. 78/235,365) on April 8, 2003 covering "cellular telephones and two-way radios." (App. A, Hodgson Decl. at Ex. 1.) Nearly two years after Motorola applied to register the Chirp Tone as a trademark, Nextel applied to register the identical Chirp Tone as a service mark in connection with its communications services. Nextel's co-pending Chirp Tone service mark application (U.S.P.T.O. Ser. No. 78/575,442) is at issue in the present proceeding. The U.S.P.T.O. suspended Nextel's Chirp Tone service mark application pending the outcome of Motorola's prior-filed Chirp Tone trademark application. (Dkt. #10, Nextel Answer ¶ 7.)

Nextel opposed Motorola's Chirp Tone trademark application on several grounds, including that the Chirp Tone did not function as a mark in connection with the applied-for goods and "is not inherently distinctive and has not acquired distinctiveness as to the goods in the [application]" (App. A, Hodgson Decl. at Ex. 2, *Nextel v. Motorola Opp.* ¶¶ 8, 9(a).)

¹⁰ Applicant's Amended Answer to Opposers' Notice of Opposition ("Nextel Answer") appears at TTABVUE Dkt. #10 in the present case.

The Board sustained Nextel's opposition. It held that the Chirp Tone did not function as a mark in connection with "two-way radios" based on a prior Board holding involving a similar Motorola "chirp" tone, the 911 Hz Chirp. *Nextel*, 91 U.S.P.Q.2d at 1399 (applying issue preclusion). It further held that the Chirp Tone was not inherently distinctive and had not acquired distinctiveness with respect to "cellular telephones." *Id.* at 1408.

After the Board entered judgment against Motorola's Chirp Tone trademark application, the U.S.P.T.O. resumed examination of Nextel's co-pending Chirp Tone service mark application. The U.S.P.T.O. ultimately published Nextel's application for opposition. The services in Nextel's Chirp Tone application, as published for opposition, include "two-way radio services" and "electronic transmission of voice ... by means of ... cellular telephones," and other closely related services. (U.S.P.T.O. Ser. No. 78/575,442.) Motorola filed the present Notice of Opposition on multiple grounds, including claim preclusion and issue preclusion. Another Motorola iDEN® customer and carrier, Southern Communications, has also opposed Nextel's Chirp Tone service mark application on other grounds. (App. A, Hodgson Decl. at Ex. 5.)

C. Use of the Chirp Tone in Connection with Motorola's iDEN® Goods and Nextel's iDEN® Services

The Board held in the prior precedential *Nextel v. Motorola* decision that Nextel's applied-for iDEN® Services "are closely related to [Motorola's] identified goods [cellular telephones and two-way radios]." *Nextel*, 91 U.S.P.Q.2d at 1400. The Board further held that Nextel's applied-for iDEN® Services were "being offered to the same customers in the same trade channels." *Id.* Indeed, the goods and services at issue are more than "closely related"—they are inseparable.

Motorola's applied-for iDEN® communications goods at issue in *Nextel v. Motorola* are inextricably related to Nextel's applied-for communications services. It is undisputed that

Motorola manufactures the iDEN® handsets and that the iDEN® handsets emit the Chirp Tone as an alert tone in connection with the walkie-talkie capability embedded into the handsets.

Nextel, 91 U.S.P.Q.2d at 1397, 1400-01. This walkie-talkie capability signified by the Chirp Tone emitted from the handsets is the key differentiator for the product and the service. (App. A, Hodgson Decl. at Ex. 4 (Schweitzer Testimony at 54-56) and Ex. 3 (Aloumanis Testimony at 13-14); App. B, Aloumanis Decl. ¶3.)

Not surprisingly, Nextel—Motorola’s largest iDEN® customer—featured the Chirp Tone in its advertising for its iDEN® communications services provided via the handsets. *Nextel*, 91 U.S.P.Q.2d at 1398; Dkt. #10, Nextel Answer ¶ 5 (“[Nextel] ... admits that it has extensively used the Chirp Tone to advertise its services, including push-to-talk services.”). Nextel’s testimonial witness in *Nextel v. Motorola*, Mark Schweitzer, confirmed that Nextel used the Chirp Tone in advertising its applied-for services (offered under the name “Direct Connect) to promote iDEN®’s unique operational functionality:

Q: You mentioned a moment ago that there’s a sound associated with Nextel’s Direct Connect service; is that right?

A: Yes.

Q: And what’s that sound?

A: We commonly refer to it as the chirp. At various times end-users might call it ‘the beep’ or ‘Nextel me,’ you know, because something of a verb that related to people using the Direct Connect capability to have the chirp alert them. (App. A, Hodgson Decl. at Ex. 4 (Schweitzer Testimony at 54-55).)

The preceding quotation acknowledged the functionality of the Chirp Tone in the context of Nextel’s communications services, namely, to have the chirp “alert” the user. (Id. at 54-55.)

The Chirp Tone is an operational alert tone in connection with the iDEN® Services, just as it was deemed an operational alert tone in connection with the iDEN® Goods. *Nextel*, 91

U.S.P.Q.2d at 1401-02. The following two quotations further acknowledge the Chirp Tone’s

role in connection with functional attributes of the goods and services, namely iDEN®’s “instant

communications” capability (*id.* at 56) and its ability to provide a “different solution” (*id.*) for communications needs.

Q: Why did Nextel adopt the chirp for marketing and advertising its services?

A: Nextel from its earliest marketing sought to distinguish itself as the ultimate productivity partner, so the ability to get things done instantly, and because Direct Connect was the most efficient form of wireless communication in terms of instant communications, the chirp was synonymous with Direct Connect and, as a marketing reality, nobody else could provide that functionality.... (App. A, Hodgson Decl. at Ex. 4 (Schweitzer Testimony at 55-56).)

...we needed a personality that associated us with, you know, a unique, different solution to other wireless carriers, and the chirp was synonymous with that. (App. A, Hodgson Decl. at Ex. 4 (Schweitzer Testimony at 56).)

The following quotation acknowledged the ubiquity of the Chirp Tone in operation, apart from any advertising or promotional activities:

...but whether you were a Nextel user or not, it became kind of inescapable to, at your place of work, at sporting events, to have heard that sound, and so we sought to take advantage of that sort of natural proliferation of sound, and, again, the linkage to the core of our brand, which was getting things done in instant communications. So we wanted to connect it very specifically to the Nextel brand. (App. A, Hodgson Decl. at Ex. 4 (Schweitzer Testimony at 57-58).)

Similarly, Nextel’s pleadings in *Nextel v. Motorola* made the following admissions regarding the overlap between Motorola’s “chirping” iDEN® Goods and Nextel’s iDEN® Services:

[Nextel] and [Motorola] have a long-standing business relationship, whereby [Motorola] manufactures phones, and accessories therefor, for sale by [Nextel], or its wholly owned operating subsidiaries, for use with [Nextel’s] cellular telephone and dispatch services. *Nextel v. Motorola* Opp. ¶ 2. (App. A, Hodgson Decl. at Ex. 2.)

The [Chirp Tone in Motorola’s trademark application] consists of or comprises a mark which so resembles a mark previously used in the United States by [Nextel], i.e., the Nextel Chirp¹¹ ..., as to be likely, when used on or in connection with the goods of [Motorola], to cause confusion, or to cause mistake, or to deceive *Nextel v. Motorola* Opp. ¶ 9(c). (App. A, Hodgson Decl. at Ex. 2.)

¹¹ Nextel defined its “Nextel Chirp” as the mark at issue in this proceeding (Ser. No. 78/575,442). *Nextel v. Motorola* Opp. ¶10. (App. A, Hodgson Decl. at Ex. 2.)

Upon information and belief, the goods for which [Motorola] is seeking registration of the [Chirp Tone] are closely related to the services offered by [Nextel] under its Nextel Chirp and as set out in the Nextel Chirp Application. *Nextel v. Motorola* Opp. ¶ 11. (App. A, Hodgson Decl. at Ex. 2.)

Upon information and belief, the goods for which [Motorola] is seeking registration of the [Chirp Tone] are ultimately offered to the same or similar customers as the services offered by [Nextel] under its Nextel Chirp and as set out in the Nextel Chirp Application. *Nextel v. Motorola* Opp. ¶ 12. (App. A, Hodgson Decl. at Ex. 2.)

Upon information and belief, the goods for which [Motorola] is seeking registration of the [Chirp Tone] are ultimately offered through the same channels of trade as the services offered by [Nextel] under its Nextel Chirp and as set out in the Nextel Chirp Application. *Nextel v. Motorola* Opp. ¶ 13. (App. A, Hodgson Decl. at Ex. 2.)

If [Motorola] is granted registration of the [Chirp Tone] as set out in [Motorola's Chirp Tone application], [Motorola] will obtain a *prima facie* exclusive right to use the [Chirp Tone] in the United States despite the likelihood of confusion, mistake, or deception with the Nextel Chirp; such registration will thereby impair and diminish [Nextel's] goodwill and rights in the Nextel Chirp, to the irreparable damage and injury of [Nextel]. *Nextel v. Motorola* Opp. ¶ 16. (App. A, Hodgson Decl. at Ex. 2.)

Finally, Nextel's Answer in the present case contained the following admissions:

[Nextel] admits that iDEN handsets provided by Nextel to its customers for use in connection with its services emit the Chirp Tone when the user presses the push-to-talk button and the network locates an open and available channel for communication. (Dkt. #10, Nextel Answer ¶ 4.)

... [Nextel] admits that among other uses, the Chirp Tone can be used in connection with communications services that utilize the Chirp Tone as an operational alert tone. (Dkt. #10, Nextel Answer ¶ 17.)

There is no genuine dispute as to the overlap between Motorola's iDEN® handsets at issue in the prior *Nextel v. Motorola* proceeding and Nextel's iDEN® services at issue in the present case. As the Board has held, "In [*Nextel v. Motorola*], [Nextel] has established that it is the owner of application Serial No. 78/585,442 for the same 1800 Hz chirp sound mark covering

services that are closely related to [Motorola's] identified goods, and being offered to the same customers in the same trade channels.” *Nextel*, 91 U.S.P.Q.2d at 1400.

III. SUMMARY JUDGMENT STANDARD

“Summary judgment is an appropriate method of disposing of a case in which there is no genuine dispute as to any material fact, thus leaving the case to be resolved as a matter of law.” *Mattel, Inc. v. The Brainy Baby Co., LLC*, 101 U.S.P.Q.2d 1140, 1142 (T.T.A.B. 2011) (precedential). Summary judgment is appropriate in preclusion cases. *See, e.g., Zoba Int'l Corp. v. DVD Format/LOGO Licensing Corp.*, 98 U.S.P.Q.2d 1106, 1108-09 (T.T.A.B. 2011) (precedential) (claim preclusion); *DaimlerChrysler Corp. v. Maydak*, 86 U.S.P.Q.2d 1945, 1949-50 (T.T.A.B. 2008) (precedential) (issue preclusion).

To prevail on a motion for summary judgment, a plaintiff “must establish that there is no genuine dispute as to its standing and as to the ground on which it seeks entry of summary judgment.” *Mattel*, 101 U.S.P.Q.2d at 1142. Motorola's motion meets both requirements. Motorola's motion addresses standing in Section IV below. It addresses substantive grounds—claim and issue preclusion—in Sections V and VI.

IV. STANDING

Opposers Motorola Mobility, Inc. and Motorola Trademark Holdings, LLC will be damaged if Nextel is granted a service mark registration for the Chirp Tone emitted by Motorola Mobility, Inc.'s iDEN® handsets. Nextel's prospective federal service mark registration covering the Chirp Tone would entitle Nextel to certain statutory presumptions that Nextel could attempt to assert against Motorola Mobility, Inc.'s ongoing use of the Chirp Tone in connection with its cellular handsets and infrastructure equipment¹² it supplies to its customers. 15 U.S.C. §

¹² The iDEN® infrastructure equipment is supplied under a cooperation agreement between Motorola Solutions, Inc. and Motorola Mobility, Inc. (App. B, Aloumanis Decl. at 4.)

1057(b). If Nextel asserted this registration against Motorola or its customers, any resulting litigation would be costly and time-consuming for Motorola Mobility, Inc. (as the manufacturer and seller of iDEN® handsets) and for Motorola Trademark Holdings, LLC (as the owner of certain intellectual property rights relating to iDEN® products), both of whom may be called upon to indemnify and defend Motorola's iDEN® customers. (App. B, Aloumanis Decl. at 6.) If Nextel prevailed in that litigation, Motorola and its customers could be enjoined from use of the Chirp Tone under 15 U.S.C. § 1116 and susceptible to monetary relief claims under 15 U.S.C. § 1117. Motorola has a "real interest" in this proceeding. *Ritchie v. Simpson*, 170 F.3d 1092, 1095, 50 U.S.P.Q.2d 1023, 1025-26 (Fed. Cir. 1999). There is no genuine dispute as to Motorola's standing to oppose.

V. CLAIM PRECLUSION

Motorola is entitled to summary judgment on claim preclusion grounds. In *Nextel v. Motorola*, the Board held that the Chirp Tone was unregistrable in connection with "cellular telephones and two-way radios." That precedential decision bars the same parties from relitigating the same claim in the present case.

The Federal Circuit has identified the applicable factors for determining whether claim preclusion (or res judicata) bars a subsequent claim before the Board. "A second suit will be barred by claim preclusion if: (1) there is identity of parties (or their privies); (2) there has been an earlier final judgment on the merits of a claim; and (3) the second claim is based on the same set of transactional facts as the first." *Jet, Inc. v. Sewage Aeration Sys.*, 223 F.3d 1360, 1362 55 U.S.P.Q.2d 1854, 1856 (Fed. Cir. 2000); *see also Zoba*, 98 U.S.P.Q.2d at 1109. Each factor favors Motorola.

A. There is an Identity of Parties or Their Privies

The present case involves the same parties—or their privies—as the prior *Nextel v. Motorola* case. Nextel was a party in the prior *Nextel v. Motorola* case and in the present case. On the “Motorola” side, although the applicant in the prior *Nextel v. Motorola* case was “Motorola, Inc.,” the new “Motorola” entities acting as opposers in the present case are its privies.

Effective January 4, 2011, the corporation formerly known as “Motorola, Inc.” (the Chirp Tone applicant in the prior *Nextel v. Motorola* case) underwent a corporate reorganization. (App. B, Aloumanis Decl. at 2). As part of that reorganization, Motorola, Inc. changed its name to “Motorola Solutions, Inc.” and spun off a new and separate corporate entity named “Motorola Mobility Holdings, Inc.” Motorola Mobility Holdings, Inc. is comprised of two businesses: mobile devices and home products. Opposer Motorola Mobility, Inc. is a subsidiary of Motorola Mobility Holdings, Inc. and is its main U.S. operating division. (Id.) The corporate reorganization also led to the creation of Motorola Trademark Holdings, LLC. (Id.)

Opposers Motorola Mobility, Inc. and Motorola Trademark Holdings, LLC are each successors-in-interest to certain business activities and intellectual property rights of the corporation formerly known as Motorola, Inc. (the applicant in *Nextel v. Motorola*). (Id.) Motorola Mobility, Inc. is the successor-in-interest to the iDEN® handset business. (Id. at 4.) The iDEN® Goods at issue in the prior *Nextel v. Motorola* proceeding are now products of Motorola Mobility, Inc.¹³ (Id.). Motorola Trademark Holdings, LLC is the successor in interest to various trademark rights relating to the iDEN® handsets and infrastructure. (Id. at 5.) Consequently, the “Motorola” opposers are in privity with the prior Motorola, Inc. *Int’l*

¹³ Through a cooperation agreement with Motorola Solutions, Inc., Motorola Mobility, Inc. also sells infrastructure equipment to its customers that enables the iDEN® handsets to operate on the proprietary iDEN® network. (Id. at 4.)

Nutrition Co. v. Horphag Res., Ltd., 220 F.3d 1325, 1329, 55 U.S.P.Q.2d 1492, 1495 (Fed. Cir. 2000) (“One situation in which parties have frequently been held to be in privity is when they hold successive interests in the same property.”). *See also* T.B.M.P. 206.02 (3d. ed. rev. 2011) (“In the field of trademarks, the concept of privity generally includes, *inter alia*, the relationship of successive ownership of a mark (e.g., assignor, assignee) and the relationship of ‘related companies’ with the meaning of the [the Trademark Act].”). This satisfies factor one in the claim preclusion analysis. *Jet, Inc.*, 223 F.3d at 1362, 55 U.S.P.Q.2d at 1856.

B. There has been an Earlier Final Judgment on the Merits

The prior *Nextel v. Motorola* opposition involving the Chirp Tone resulted in a final judgment on the merits. The Board sustained Nextel’s opposition to Motorola’s Chirp Tone trademark application. The Board sustained the opposition as to two-way radios on failure to function as a mark (via issue preclusion) grounds, and as to cellular telephones on distinctiveness grounds. *Nextel*, 91 U.S.P.Q.2d at 1409. This satisfies factor two in the claim preclusion analysis. *Jet, Inc.*, 223 F.3d at 1362, 55 U.S.P.Q.2d at 1856.

C. Nextel’s Claims are based on the same set of Transactional Facts

Nextel’s claims relating to service mark use and distinctiveness are based on the same set of transactional facts as the prior *Nextel v. Motorola* case. The Federal Circuit noted that “transaction” has been defined by various courts as “a ‘core of operative facts,’ the ‘same operative facts,’ or the ‘same nucleus of operative facts,’ and ‘based on the same, or nearly the same, factual allegations.’” *Jet, Inc.*, 223 F.3d at 1363, 55 U.S.P.Q.2d at 1856 (citations omitted); *Zoba*, 98 U.S.P.Q.2d at 1111. The “operative facts” before the Board in the prior *Nextel v. Motorola* case—and the present case—are described below.

1. The iDEN® Goods and iDEN® Services are Inseparable

In *Nextel v. Motorola*, the Board entered judgment against Motorola's application to register the Chirp Tone in connection with "two-way radios" by holding that the Chirp Tone failed to function as a trademark. The Board reached this holding by finding that the issue of whether the Chirp Tone functioned as a mark was fully litigated and actually decided in a prior opposition proceeding between Nextel and Motorola. *Nextel*, 91 U.S.P.Q.2d at 1399 (citing Opp. No. 91/161,817 involving Motorola's application to register the similar 911 Hz Chirp in connection with two-way radios). As a result, the Board held that the prior 911 Hz Chirp decision was preclusive as to the two-way radios in *Nextel v. Motorola*. *Nextel*, 91 U.S.P.Q.2d at 1398-99.

That holding in *Nextel v. Motorola* is preclusive in the present case. As explained above, Nextel's admissions in its pleadings, the Board's findings in *Nextel v. Motorola*, and witness testimony from *Nextel v. Motorola*, leave no doubt that the "two-way radio services" at issue in the present case are inextricably intertwined with the "two-way radio" goods in *Nextel v. Motorola*. The Board's holding that the Chirp Tone failed to function as a mark in connection with Motorola's iDEN® two-way radios precludes Nextel's claim that the Chirp Tone functions as a mark in connection with its two-way radio services because those services are exclusively provided via Motorola's iDEN® handsets and iDEN® infrastructure. Given the symbiotic relationship between Motorola's goods and Nextel's services, there is no justification for distinguishing between them. See *In re Tires, Tires, Tires*, 94 U.S.P.Q.2d 1153, 1157 (T.T.A.B. 2009) (precedential) (holding applied-for "TIRES, TIRES, TIRES" mark unregistrable for retail sales of tires because "a term that names the central focus or subject matter of the services is generic for the services themselves"); *In re A La Vieille Russie, Inc.*, 60 U.S.P.Q.2d 1895, 1900 (T.T.A.B. 2001) (precedential) ("a term which is generic for a particular class of goods is also

deemed to be generic for the services of selling those goods”); *In re Log Cabin Homes, Ltd.*, 52 U.S.P.Q.2d 1206, 1210 (T.T.A.B. 1999) (rejecting applicant’s proposed distinction between “services” and “goods”). Motorola is entitled to summary judgment on Nextel’s claim that the Chirp Tone functions as a mark in connection with two-way radio services.

2. Cellular Telephone Goods and Services: No Inherent Distinctiveness (*In re Vertex*)

After holding the Chirp Tone unregistrable in connection with “two-way radios” for failure to function as a mark, the Board turned its attention to “cellular telephones.” It held that the Chirp Tone was not inherently distinctive because “cellular telephones, including those made by [Motorola] that emit the chirp, fall into the category of goods that make sound in their normal course of operation.” *Nextel*, 91 U.S.P.Q.2d at 1400. As a result, “[Motorola’s] chirp, used in connection with cellular telephones, falls into the category of sounds that cannot be inherently distinctive and may only be registered upon a showing of acquired distinctiveness.” *Id.* at 1400-01 (citing *In re Vertex Group LLC*, 89 U.S.P.Q.2d 1694, 1700 (T.T.A.B. 2009)).

In the present case, Nextel has admitted that the Chirp Tone is emitted in the normal course of its services. (Dkt. #10, Nextel Answer ¶¶ 4¹⁴, 17.¹⁵) Given the relationship between Motorola’s iDEN® Goods and Nextel’s iDEN® services, the *In re Vertex* rule as applied to inherent distinctiveness for Motorola’s cellular telephones must also apply to Nextel’s services. Notably, the Examining Attorney assigned to Nextel’s Chirp Tone application held that it did. (Office Action dated October 29, 2009 (“[t]he applicant [Nextel] is cautioned that, for the services that involve sound, the applicant [Nextel] will need to demonstrate acquired

¹⁴ “[Nextel] admits that iDEN handsets provided by Nextel to its customers for use in connection with its services emit the Chirp Tone when the user presses the push-to-talk button and the network locates an open and available channel for communication.” (Dkt. #10, Nextel Answer ¶ 4.)

¹⁵ “... [Nextel] admits that among other uses, the Chirp Tone can be used in connection with communications services that utilize the Chirp Tone as an operational alert tone.” (Dkt. #10, Nextel Answer ¶ 17.)

distinctiveness. In other words, where the sound is emitted in the ordinary course of the services, the applicant [Nextel] will have to demonstrate that consumers recognize the sound as a trademark”).) The Board’s *Nextel v. Motorola* holding that the Chirp Tone was not inherently distinctive based on the *In re Vertex* rule precludes Nextel’s inherent distinctiveness claim. Motorola is entitled to summary judgment on Nextel’s claim that the Chirp Tone is inherently distinctive in connection with cellular telephone communications services.

3. Cellular Telephone Goods and Services: No Acquired Distinctiveness (Concurrent Uses)

“Because the chirp lacks inherent distinctiveness for [Motorola’s] cellular telephones, the chirp may be registered only upon a showing of acquired distinctiveness.” *Nextel*, 91 U.S.P.Q.2d at 1401. In analyzing acquired distinctiveness, the Board looked at evidence involving the parties’ use of the Chirp Tone, their promotional efforts, such as product placement, radio and television advertising, survey evidence, and a co-operative advertising program. *Nextel*, 99 U.S.P.Q.2d at 1403-08. Those same transactional facts will be at issue in the present case, where Nextel seeks registration of the *identical* Chirp Tone in connection with its related communications services offered concurrently and in association with Motorola’s goods. That circumstance is Nextel’s undoing in the present case.

In *Nextel v. Motorola*, the Board held that the “most damaging” evidence with respect to acquired distinctiveness was Motorola’s non-exclusive use of the Chirp Tone:

What is perhaps the most damaging to applicant’s [Motorola’s] case for acquired distinctiveness is that the record establishes that opposer [Nextel] has been extensively using the chirp in advertisements in connection with its services for a number of years. And, ‘[i]n most oppositions to registrations under Section 2(f), prevailing opposers have presented some evidence that the mark has not acquired distinctiveness, such as others’ use of the proposed mark or similar marks.’ [Citations omitted.] Here, opposer [Nextel] has demonstrated that it has used the

chirp in connection with its services for promotional purposes nearly as long as applicant [Motorola].

Nextel, 91 U.S.P.Q.2d at 1408.

Just as Nextel's concurrent use of the Chirp Tone in connection with its related services rendered Motorola's use of the Chirp Tone non-substantially-exclusive in *Nextel v. Motorola*, Motorola's use of the Chirp Tone in connection with its related goods renders Nextel's use non-substantially-exclusive in the present case.

There is no dispute that both Motorola and Nextel concurrently use the Chirp Tone. The parties' concurrent use was the subject of the prior *Nextel v. Motorola* case. Although Nextel may argue that Motorola's Chirp Tone use is irrelevant because it was not deemed registrable trademark use, such an argument would be contrary to well-established case law. Even "non-trademark" use defeats a claim of substantially exclusive use. *See* 15 U.S.C. § 1052(f); *Flowers Indus., Inc. v. Interstate Brands Corp.*, 5 U.S.P.Q.2d 1580, 1589 (T.T.A.B. 1987) (holding "descriptive" uses relevant to Section 2(f) analysis). Moreover, Nextel admitted that its competitor Southern Communications uses the Chirp Tone in connection with its competing services in a limited geographic area. (Dkt. #10, Nextel Answer ¶ 5.)

D. Conclusions Regarding Claim Preclusion

The facts described above relating to the parties' inseparable and concurrent use of the Chirp Tone make up the "core of operative facts," which Nextel cannot dispute. Nextel prevailed in the prior *Nextel v. Motorola* case and cannot avoid that holding in this subsequent case based on the same set of transactional facts. Motorola respectfully submits that there can be no dispute as to *Nextel v. Motorola's* preclusive effect with respect to Nextel's claim that the Chirp Tone functions as a mark and is distinctive. Motorola is entitled to summary judgment on claim preclusion grounds.

VI. ISSUE PRECLUSION

Motorola is also entitled to summary judgment on issue preclusion grounds. “[W]here common issues ... are actually litigated in the earlier proceeding, issue preclusion will prevent their relitigation.” *Jet*, 223 F.3d at 1366, 55 U.S.P.Q.2d at 1859. Issues common to both *Nextel v. Motorola* and the present case are: (1) whether the Chirp Tone functions as a mark; (2) whether the Chirp Tone is inherently distinctive; and (3) whether the Chirp Tone has acquired distinctiveness.

The Federal Circuit has identified the following factors for determining whether issue preclusion (or collateral estoppel) bars re-litigation of these issues: (1) identity of the issues in a prior proceeding; (2) the issues were actually litigated; (3) the determination of the issues was necessary to the resulting judgment; and (4) the party defending against preclusion had a full and fair opportunity to litigate the issues. *Jet*, 223 F.3d at 1366, 55 U.S.P.Q.2d at 1859; *see also DaimlerChrysler*; 86 U.S.P.Q.2d at 1948. Each factor favors Motorola.

A. Identity of Issues in a Prior Proceeding

In the prior *Nextel v. Motorola* case, the Board adjudicated the following issues: (1) whether the Chirp Tone functioned as a mark in connection with two-way radios; (2) whether it was inherently distinctive in connection with cellular telephones; and (3) whether it had acquired distinctiveness in connection with cellular telephones. In resolving those issues, the Board held: (1) the Chirp Tone failed to function as a mark in connection with “two-way radios” via issue preclusion (*Nextel*, 91 U.S.P.Q.2d at 1399¹⁶); (2) the Chirp Tone was not inherently distinctive (*id.* at 1408); and (3) it had not acquired distinctiveness with respect to “cellular telephones” (*id.* at 1408). Although the Board adjudicated the Chirp Tone in connection with goods—as opposed

¹⁶ Preclusion was based on Opposition No. 91/161,817 involving Motorola’s 911 Hz Chirp sound mark application, also successfully opposed by Nextel. *Nextel*, 91 U.S.P.Q.2d at 1398-99.

to services—in *Nextel v. Motorola*, given the inseparable nature of Motorola’s iDEN® Goods and Nextel’s iDEN® Services, the “issues” of whether the Chirp Tone functions as a mark, whether it is inherently distinctive, and whether it has acquired distinctiveness are identical. *Nextel*, 91 U.S.P.Q.2d at 1400 (finding Nextel’s services “closely related to [Motorola’s] identified goods”). This satisfies factor one in the issue preclusion analysis. *Jet, Inc.*, 223 F.3d at 1366, 55 U.S.P.Q.2d at 1859.

B. The Issues Were Actually Litigated

There can be no dispute that the Chirp Tone’s ability to function as a mark, as well as its inherent and acquired distinctiveness, were actually litigated in the prior *Nextel v. Motorola* case. The Board entered a final judgment on the merits sustaining Nextel’s opposition to Motorola’s Chirp Tone application on those grounds. *Nextel*, 91 U.S.P.Q.2d at 1408-09. This satisfies factor two in the issue preclusion analysis. *Jet, Inc.*, 223 F.3d at 1366, 55 U.S.P.Q.2d at 1859.

C. The Determination Was Necessary to the Resulting Judgment

Similarly, there can be no dispute that the Board’s determinations regarding the Chirp Tone’s ability to function as a mark, and its inherent and acquired distinctiveness, were necessary to the judgment. The Board entered judgment against Motorola’s Chirp Tone application on those grounds. *Nextel*, 91 U.S.P.Q.2d at 1408-09. The Board held: (1) trademark claims relating to two-way radios were barred for failure to function as a mark, via issue preclusion grounds (*id.* at 1398-99); (2) inherent distinctiveness was barred under *In re Vertex* (*id.* at 1400-01); and (3) acquired distinctiveness failed based on the parties’ concurrent and non-exclusive uses of the Chirp Tone (*id.* at 1408).

This third issue is particularly relevant to the present case. The Board held that the parties’ concurrent uses were “most damaging” to the Chirp Tone acquired distinctiveness claim. *Nextel*, 91 U.S.P.Q.2d at 1408. The concurrent use issue similarly bars Nextel’s acquired

distinctiveness claim in the present case. There can be no dispute that this same issue was raised—and adjudicated—by the Board in *Nextel v. Motorola*. *Nextel*, 91 U.S.P.Q.2d at 1408 (finding concurrent uses of the Chirp Tone by Nextel and Motorola to be “most damaging to applicant’s case for acquired distinctiveness”).

Each determination was necessary to the resulting judgment that the Chirp Tone was not registrable as a mark. *Id.* at 1408. This satisfies factor three in the issue preclusion analysis. *Jet, Inc.*, 223 F.3d at 1366, 55 U.S.P.Q.2d at 1859.

D. Nextel Had a Full and Fair Opportunity to Litigate the Issues

As the opposer in the prior *Nextel v. Motorola* case, Nextel was the party who asserted and successfully proved the issues of failure to function as a mark and lack of inherent and acquired distinctiveness. *Nextel*, 91 U.S.P.Q.2d at 1408-09. Nextel chose to oppose Motorola’s Chirp Tone application on invalidity grounds despite knowing that it had a pending application on file to register the identical mark in connection with its concomitant iDEN® services. It is now bound by the outcome of that opposition. This satisfies factor four in the issue preclusion analysis. *Jet, Inc.*, 223 F.3d at 1366, 55 U.S.P.Q.2d at 1859.

E. Conclusions Regarding Issue Preclusion

In direct contrast to its prior position in *Nextel v. Motorola*, upheld by the Board, Nextel seeks to re-litigate these issues and establish that: (1) the Chirp Tone functions as a mark; (2) is inherently distinctive; (3) has acquired distinctiveness, and is ultimately registrable on the Principal Register. However, Nextel is bound by the prior *Nextel v. Motorola* decision it obtained in 2009 and is now precluded from relitigating those issues in this proceeding.

VII. CONCLUSION

Motorola respectfully requests the Board to grant its motion for summary judgment on claim preclusion and issue preclusion grounds. Motorola is entitled to judgment in its favor on

all Class 38 services identified in Nextel's Chirp Tone service mark application based on the Board's precedential ruling in the prior *Nextel v. Motorola* case involving the same parties and the identical Chirp Tone mark.¹⁷

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Respectfully submitted,
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¹⁷ To that end, Motorola urges the Board to treat the applied-for communications services as a unitary group for preclusion purposes. *See, e.g., In re Analog Devices Inc.*, 6 U.S.P.Q.2d 1808, 1810 (T.T.A.B. 1988) (maintaining refusal as to all goods in a class).

CERTIFICATE OF SERVICE

On February 6, 2012, I served the foregoing **OPPOSERS' MOTION FOR SUMMARY JUDGMENT ON THE ISSUES OF RES JUDICATA AND COLLATERAL ESTOPPEL** on the parties in said action by depositing a true copy thereof with the United States Postal Service as first class mail, postage prepaid, at Chicago, Illinois, enclosed in a sealed envelope addressed to counsel of record for Applicant as follows:

John I. Stewart, Jr.
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Dated: February 6, 2012

By: /s/Thomas M. Williams
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