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

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| Proceeding no. | 91267205 |
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| Date | 12/31/2021 |
| Attachments | Combined Memorandum of Law in Reply and Opposition.pdf(225423 bytes) |

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

NEST EGG LABS, INC.,

Opposer,

v.

PEEKNEST, INC.,

Applicant.

Opposition Proceeding No. 91267205

Application Serial No.: 88/746,125

Mark: NEST

OPPOSER’S COMBINED MEMORANDUM OF LAW IN REPLY & OPPOSITION

Pursuant to the Order issued by the Honorable Trademark Trial and Appeal Board (the “Board”) on December 15, 2021, Opposer, NEST EGG LABS, INC., respectfully submits this Combined Memorandum of Law in further support of Opposer’s pending Motion for Summary Judgment (“Opposer’s Motion”)¹ and in opposition to the Cross-Motion for Summary Judgment filed by Applicant, PEEKNEST, INC.

I. Preliminary Statement

The materials submitted by Applicant in opposition to Opposer’s Motion and in support of its cross-motion for summary judgment (collectively, “Applicant’s Opposition”) are riddled with false and unsupported legal and factual assertions that serve to effectively exemplify a continual and near-complete failure to present any issues that bear relevance to the Board’s determination in this matter. This, together with an on-going disregard for the Rules and procedures that govern the instant Opposition Proceeding on the part of Applicant and its counsel and an unfettered willingness to self-servingly advance factual misrepresentations have caused Opposer to be unduly

¹ The defined terms set forth in Opposer’s Motion are also utilized herein.

burdened with unnecessary expenditures of time and resources in prosecuting the instant Opposition Proceeding.

For example, Applicant goes out of its way to self-servingly mischaracterize the basis upon which Opposer has brought the present Opposition Proceeding, while clearly misrepresenting the nature and purpose of Opposer's NEST EGG Apps, along with the identities of the relevant consumers. By way of further example, Applicant has consistently demonstrated its indifference to the Board's Rules and procedures in the present Opposition Proceeding by its failure to properly serve its: (i) Answer to Opposer's Notice of Opposition²; (ii) Initial Disclosures; (iii) Responses to Opposer's First Set of Interrogatories; (iv) Responses to Opposer's First Set of Requests for Production; and (v) Responses to Opposer's First Set of Requests for Admissions.³

Applicant's Opposition falls resoundingly flat in that Applicant repeatedly advances positions that are completely irrelevant, plainly false and/or merely serve to further establish the existence of a likelihood of confusion between the parties' respective marks. Applicant's Opposition would have the Board turn a blind eye to Applicant's prior admissions and its continual failure to comply with the Board's Rules and procedures (as set forth in points (i) – (v) above) and improperly overlook the underlying facts and supporting evidence of record that establishes a likelihood of confusion between Opposer's NEST EGG Mark and Applicant's NEST Mark in the present Opposition Proceeding.

² As documented by the Board's Order dated March 4, 2021.

³ Opposer also notes that Applicant even failed to serve its own written discovery requests in a timely manner, which Opposer was, and remains, under no obligation to respond to.

II. Opposer's Standing is Unquestionable

Applicant's Opposition is primarily devoted to advancing irrelevant arguments that have no bearing on the issues presently before the Board. Perhaps most egregious are Applicant's ineffectual efforts to establish a lack of standing on the part of Opposer in this Opposition Proceeding. Applicant's meritless argument is based upon the mere existence of Application Serial No. 88/799,352, which Opposer specifically referenced and addressed in Opposer's Motion.⁴ (Opposer's Motion at 7, n.3)

Applicant would have the Board believe that Opposer should be divested of its right and ability to oppose registration of Applicant's NEST Mark, merely because Opposer is the owner of a currently suspended application to register the mark NEST. However, Applicant's ownership of this application has no bearing on the present Opposition Proceeding because, as set forth in the Notice of Opposition and clearly established by the record presently before the Board, Opposer is not relying upon Application Serial No. 88/799,352 as the basis for this Opposition Proceeding. In opposing registration of Applicant's NEST mark, Opposer is relying upon its strong and exclusive rights in its NEST EGG Mark, as evidenced by Opposer's Registration No. 6,236,897 and its continuous and extensive use of its NEST EGG Mark for well-over a decade, which has resulted in the NEST EGG Mark achieving widespread recognition and fame amongst consumers of inventory management software products and services. (Opposer's Motion at 5 - 7)

Moreover, Opposer has properly and expressly pleaded a direct and personal stake in the outcome of this proceeding and that it will be severely damaged by

⁴ Opposer notes that, contrary to Applicant's false assertions, Application Serial No. 88/799,352 remains active, pending and is currently suspended. (Belous Decl., Ex. 4)

Applicant's registration of the NEST mark that is at issue. (Notice of Opp. ¶¶ 12-15; See Opposer's Motion § II(B)) As such, Applicant's contention that Opposer lacks standing to oppose registration of Applicant's NEST Mark is meritless and should be given no consideration by the Board.

III. *There is No Valid Basis for Applicant to Withdraw Its Prior Admissions*

Despite failing to timely respond or object to Opposer's First Set of Requests for Admissions and failing to seek any relief from the Board prior to the close of the discovery period in the present Opposition Proceeding, Applicant now asks the Board to take the extraordinary action of withdrawing Applicant's prior admissions, which Applicant concedes are binding and occurred by due operation of law. Yet, Applicant fails to present any valid precedent for the Board to grant such extraordinary relief and doing so would be undoubtedly prejudicial to Opposer. In fact, the primary authority that Applicant cites to as the basis for its request to withdraw its prior admissions, *American Auto Ass'n v. AAA Legal Clinic*, 930 F. 2d 1117, 1119 (5th Cir. 1991), found that the admissions at issue were "conclusively established" and wrongfully excluded. As such, the court's holding in this case establishes that there is no valid basis for Applicant's prior admissions to be withdrawn.⁵ Furthermore, since initiating this Opposition Proceeding, Opposer has been forced to carry the burden of Applicant's disregard for the applicable Rules and procedures and it would be improper to permit Applicant to "withdraw" its prior admissions, upon which Opposer has, in-part, based its Motion for Summary Judgment and would be highly prejudicial to Opposer at this stage.

⁵Additionally, the other cases cited by Applicant support the Board's entry of summary judgment in favor of Opposer, are inapposite and/or clearly distinguishable from the facts presently before the Board.

IV. The DuPont Factors Weigh Heavily in Favor of a Likelihood of Confusion

As detailed in Opposer's Motion, each of the relevant *DuPont* factors weighs heavily in favor of confusion between Opposer's NEST EGG Mark and Applicant's NEST Mark, and Applicant's Opposition fails to present any facts or supporting evidence, whatsoever, that balances against the Board's finding of a likelihood of confusion and, instead, merely proffers self-serving misrepresentations and baseless conjecture supported by nothing more than Applicant's alleged "awareness", supposed "intent" and unfounded "belief".⁶

A. The Relevant Marks, Goods, Trade Channels and Consumers are Identical for Likelihood of Confusion Purposes

While demonstrably false assertions abound throughout Applicant's Opposition, amongst the most egregious are Applicant's self-serving mischaracterizations of the nature of the relevant products and consumers. Despite admitting that "both Applicant and Opposer sell inventory management products" (Applicant's Opp. at 13), Applicant unsuccessfully attempts to conjure differences between both the relevant goods and consumers at issue by falsely stating that Opposer's NEST EGG Apps are marketed and sold only to "business" consumers, and not to "household" consumers, which is plainly false in view of the record before the Board. Contrary to Applicant's misrepresentations, Opposer has established that Opposer's NEST EGG Apps have been continuously marketed and sold to "household" consumers since 2011 and that, since launching in 2011, Opposer has expanded its offerings of NEST EGG Apps to

⁶ While Applicant contends that its purported "use" of the NEST Mark is "unique", it seems to indicate that any such use is descriptive of a feature of its product in that Applicant expressly states that "Applicant's NEST mark is used to describe the collections in the application where users organize their stuff". (Applicant's Opp. at 5)

include inventory management products that it markets and sells both to “household” and “business” consumers. (Opposer’s Motion at 5)

Although Opposer has established that the relevant consumers are identical and Applicant has admitted that the relevant channels of trade are also identical (Applicant’s Opp. at 8), there are also no restrictions on the channels of trade or purchasers set forth in the identifications of goods/services that are contained in either the NEST Application or Opposer’s NEST EGG Registration. Consequently, in the matter at hand the same goods are presumed to travel through identical channels of trade, under the same marks, to the very same consumers. *See In re Viterra Inc.*, 671 F.3d 1358, 1362, 101 USPQ2d 1905, 1908 (Fed. Cir. 2012). While Applicant admits that the relevant products are inexpensive, it takes a misguided approach with respect to the degree of care that is exercised by the relevant consumers in that it bases its argument that the relevant consumers exercise a high degree of care on its assertions that Applicant charges its customers a monthly subscription fee and that consumers “may trial multiple inventory software”. (Applicant’s Opp. at 12) Contrary to these unsupported assertions, the parties’ products are marketed and sold to consumers through the App Store and Opposer offers a variety of pricing structures to its customers, including its NEST EGG LITE product, which it provides to consumers free of charge and the mere unsupported assertion that consumers may try multiple products is insufficient to establish that the relevant consumers exercise a high degree of care. Where, as here, the relevant products may be relatively low-priced and subject to impulse buying, this factor weighs in favor of a finding of likelihood of confusion. *Sock It to Me, Inc. v. Fan*, 2020 USPQ2d 10611, at *8 (TTAB 2020).

Applicant goes on to implausibly attempt to manifest differences between the NEST EGG Mark and the NEST Mark, despite the undisputable fact that the term “nest” used in both marks has the identical appearance, sound, meaning and connotation. While Applicant struggles to fabricate differences between the relevant marks by utilizing a self-servingly narrow definition of Opposer’s NEST EGG mark and overlooking Opposer’s extensive use of its NEST EGG Mark that incorporate nest designs and emphasize the NEST portion of its mark, Applicant’s arguments in this regard are specious and, at best, unconvincing in view of the relevant precedent establishing that (i) NEST is the dominant portion of both marks; (ii) consumers are more inclined to focus on the first word of a mark (particularly when searching through the identical trade channel); and (iii) Applicant’s NEST Mark is likely to appear to prospective purchasers as a shortened form of Opposer’s NEST EGG Mark, all of which, as detailed in Opposer’s Motion, establishes that the marks at issue create identical commercial impressions. (Opposer’s Motion at 13 - 16) Accordingly, each of these factors weighs heavily in favor of a likelihood of confusion between the NEST Mark and the NEST EGG Mark.

B. Opposer’s NEST EGG Mark is Strong and Famous

While Applicant argues that Opposer’s NEST EGG Mark is “not that famous” (Applicant’s Opp. at 11)⁷, Applicant’s efforts to attack the strength and fame that the NEST EGG Mark has garnered are feeble and, once-again, Applicant presents nothing more than misrepresentations and unconvincing arguments to support its untenable position. Applicant makes the completely unsupported and false statement that “The

⁷ In doing so Applicant seems to concede that the NEST EGG Mark has achieved some level of fame.

general public is not aware of the Nest Egg Application” (Applicant’s Opp. at 11), despite the vast amount of evidence in the record establishing the extensive amount of use and recognition that the NEST EGG Mark has realized since the NEST EGG Apps first launched in May 2011.

Applicant also attaches a self-servingly narrow definition to the meaning of Opposer’s NEST EGG Mark and willfully fails to recognize the inherently distinctive nature of Opposer’s NEST EGG Mark when applied to inventory management software products and services. Nonetheless, while Applicant would have the Board believe that Opposer’s NEST EGG mark has only one meaning that renders it a “weak” mark, when applied to inventory management software products and services, the term NEST EGG is, at the very least, suggestive (if not arbitrary/fanciful), and, as such, is an inherently distinctive “strong” mark that is entitled to a broad scope of protection, particularly in view of Opposer’s extensive and continuous use of the mark for over a decade.

Applicant also conveniently ignores the existence of Opposer’s NEST EGG Registration, as well as the widespread recognition and fame that the NEST EGG Mark has achieved amongst consumers and in the press. (Opposer’s Motion at 5 - 7) Accordingly, Opposer has established that its NEST EGG Mark is strong, famous for likelihood of confusion purposes amongst inventory management software products/services and is entitled to a scope of protection sufficient to prevent Applicant from registering the NEST Mark.

C. Applicant Fails to Establish Any Relevant Third-Party Use

Applicant contends that there is a supposed “wealth” of third-party uses of the term NEST in connection with the relevant products and proceeds to point towards two (2)

purported instances of third-party use. In his supporting declaration Rayyan Faris, Applicant's President, testifies, under penalty of perjury, that a third-party is currently making use of the mark "Nestlead" in connection with "an organization and management app for user's personal belongings". (Faris Decl., ¶ 4) However, this testimony is explicitly contradicted in Applicant's Opposition, which states that "[t]he Nestlead app has since been discontinued." (Applicant's Opp. at 14, n.6)

The other purported instance of third-party use that Applicant points to is the alleged use of the term NEST on the part of Google, Inc. in connection with a dissimilar product that bears no relation to inventory management. As such, in making these unsupported assertions of third-party use, Applicant's President has impeached⁸ himself and Applicant has failed to establish any relevant third party usage of the term NEST in connection with the products at issue. As such, this factor also weighs squarely and heavily in favor of a finding of confusion.

D. Applicant's Willful Ignorance Does Not Preclude Its Bad Faith

While Applicant would have the Board believe that it was entirely unaware of Opposer and its NEST EGG Mark at the time that it filed its application to register the NEST mark that is the subject of this Opposition Proceeding, Applicant's misrepresentation in this regard is, once again, demonstrably false. In its response to Opposer's Interrogatory No. 12, Applicant has admitted⁹ that it was aware of the NEST EGG Mark at least as early as December 10, 2019, well-prior to the January 3, 2020,

⁸ Mr. Faris may well have been impeached multiple times in his declaration, as he testifies that he is "not aware of any alleged or actual confusion between [Applicant's] product and the product offered by [Opposer]", despite the explicit allegations of confusion that have been asserted by Opposer in the instant Opposition Proceeding.

⁹ Along with numerous additional relevant admissions on the part of Applicant resulting from its failure to respond or object to Opposer's First Set of Requests for Admission. (Belous Decl., Ex. 2)

filing date of Applicant's NEST Application. (Belous Decl., Ex. 3 at 9) Moreover, while Applicant purports that it "does not intent [*sic*] to trade on any goodwill Opposer may have in its NEST EGG Mark" and "believes that the two parties [*sic*] goods and marks are distinct and unique", such unsupported intentions and beliefs reflect a willful ignorance of the relevant facts and applicable laws on the part of Applicant and its counsel. While such self-serving beliefs and intentions are not necessarily surprising, Applicant has failed to present any valid reasoning or evidence to support its intentions and/or beliefs. As such, given Applicant's awareness of Opposer's NEST EGG mark prior to the filing of its NEST Application, which Applicant has admitted to more than once, and in view of Applicant's duty to avoid using a similar mark, as detailed in Section II(D)(6) of Opposer's Motion, Applicant's bad faith and intent to trade off of the goodwill Opposer has established in its NEST EGG Mark is evident, which also weighs heavily in favor of a likelihood of confusion.

V. Conclusion

In view of the above, along with the facts established, evidence submitted and arguments asserted in Opposer's Motion, Opposer submits that it has priority in its NEST EGG Mark and that Applicant's NEST mark creates a likelihood of confusion with Opposer's NEST EGG Mark, and Opposer respectfully requests that the Board grant its motion for summary judgment, sustain the instant Opposition Proceeding and deny Applicant's cross motion for summary judgment in its entirety.

Dated: Los Angeles, California
December 31, 2021

BELOUS LAW CORPORATION

By /s/ Relani Belous
Relani Belous
Attorneys for Opposer

CERTIFICATE OF SERVICE

It is hereby certified that a copy of the foregoing "Opposer's Combined Memorandum of Law in Reply & Opposition" has been served *via* electronic mail on Applicant's Attorneys, IDRIS MOTIWALA, ESQ., LAW OFFICE OF IDRIS MOTIWALA, 10900 Research BLVD. STE. 160C-84, Austin, Texas 78759, idris@motiwala.law, this 31st day of December 2021.

/s/ Relani Belous
Relani Belous