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TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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JK

May 2, 2022

Opposition No. 91267205

Nest Egg Labs Inc.

v.

Peeknest Inc.

**Before Kuhlke, Adlin and Lebow.
Administrative Trademark Judges.**

By the Board:

Peeknest, Inc. (Applicant) filed application Serial No. 88746125 on January 3, 2020, based on Trademark Act Section 1(a), to register the mark NEST on the Principal Register for the following goods:

function of downloadable software for use in displaying, grouping and organizing images and descriptions of possessions sold as a component of downloadable software in the nature of a mobile application for users to capture images and descriptions in order to catalog, organize, and inventory belongings, goods, service providers, experiences, documents, notes, and media; none of the foregoing relating to home or building automation or smart home or smart building products or services in International Class 9.

Applicant asserts a date of first use anywhere of May 14, 2018, and a date of first use in commerce of June 8, 2019.

On January 22, 2021, Nest Egg Labs, Inc. (Opposer) filed a notice of opposition on the ground of likelihood of confusion pursuant to Trademark Act Section 2(d), pleading common law rights in the mark NEST EGG since 2011, as well as ownership of Principal Registration No. 6236897, registered on January 5, 2021, for the mark NEST EGG for:

downloadable, computer application software for mobile phones, namely, software for assisting with the collection of data, organization and creating an inventory of items; downloadable computer software that provides web-based access to applications and services through a web operating system or portal interface, in International Class 9; and

computer programming services; consulting services in the field of the design of software that models, analyzes organization and inventory of various items; design and development of computer software for computer software and systems for the hosting of computer website and storage of data; design and development of market research software tools; preparation, update, installation and maintenance of computer software; providing a web site featuring technology that enables users to access platform software specializing in organizing and inventory management of various items; software as a service (SAAS) services, namely, hosting software for use by others for use in analyzing, measuring, evaluating, and optimizing organization and personal inventory management and data organization, in International Class 42.

Opposer asserts a date of first use anywhere, and date of first use in commerce, of May 5, 2011.

In its answer, Applicant denied the allegations in the notice of opposition.

On the day before trial was to commence, Opposer filed a motion for summary judgment pursuant to Fed. R. Civ. P. 56(a). Applicant included a cross-motion with its opposition to the motion. The cross-motions are briefed.¹

¹ The Board has considered the parties' arguments, and the evidence that is of record, but does not repeat or address irrelevant arguments. *Guess? IP Holder LP v. Knowluxe LLC*, 116

Summary Judgment Standard

Summary judgment is appropriate where the movant demonstrates that there is no genuine dispute as to any material fact, and that it is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(a). A party asserting that a fact cannot be true or is genuinely disputed must support its assertion by: 1) citing to materials in the record; or 2) showing that the movant's supporting materials do not establish the absence or presence of a genuine dispute, or that the movant cannot produce admissible evidence to support the fact. Fed. R. Civ. P. 56(c). A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-movant. *Lloyd's Food Prods., Inc. v. Eli's, Inc.*, 987 F.2d 766, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); *Opryland USA Inc. v. Great Am. Music Show, Inc.*, 970 F.2d 847, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992).

On summary judgment, the Board may not resolve any factual disputes; it may only determine whether a genuine dispute of material fact exists. *See, e.g., Meyers v. Brooks Shoe Inc.*, 912 F.2d 1459, 16 USPQ2d 1055, 1056 (Fed. Cir. 1990). The non-movant must be given the benefit of all reasonable doubt; the evidentiary record must be viewed in the light most favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. *Opryland USA*, 23 USPQ2d at 1472.

With respect to each motion, the party seeking judgment in its favor carries the burden of proof. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323-24 (1986). On cross-

USPQ2d 2018, 2019-20 (TTAB 2015) (reconsideration denied because no requirement that Board repeat or address irrelevant arguments when determining a motion).

motions for summary judgment, each moving party has the burden as to its own motion, and the Board evaluates each motion on its own merits and resolves all doubts and inferences against the party whose motion is being considered. *Mingus Constructors, Inc. v. U.S.*, 812 F.2d 1387, 1390-91 (Fed. Cir. 1987); *Drive Trademark Holdings LP v. Inofin*, 83 USPQ2d 1433, 1437 (TTAB 2007). The mere fact that cross-motions for summary judgment are filed does not necessarily mean that there is no genuine dispute of material fact or that a trial is unnecessary. *See, e.g., Drive Trademark Holdings*, 83 USPQ2d at 1437; *Univ. Book Store v. Univ. of Wis. Bd. of Regents*, 33 USPQ2d 1385, 1389 (TTAB 1994).

To prevail on summary judgment, Opposer must demonstrate that the record shows no genuine dispute of material fact that: 1) it is entitled to a statutory cause of action; 2) it has prior rights; and 3) the contemporaneous use of the marks NEST and NEST EGG on or in connection with the parties' respective goods and services will create a likelihood of confusion as to source.

To prevail on its cross-motion, Applicant must establish that there is no genuine dispute of material fact that the inverse of one or more of these elements is true.

Preliminary Issue – Opposer's Requests for Admissions

Opposer largely bases its motion on Applicant's failure to serve responses or objections to Opposer's first set of requests for admission, and on its position that by operation of Fed. R. Civ. P. 36(a)(3) the requests are deemed admitted. TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (TBMP) §§ 407.03(a) and 524.01 (2021). 8 TTABVUE 278. However, by serving 99 requests for admission, with no

order or stipulation permitting it to exceed the maximum of 75 requests, Opposer violated Trademark Rule 2.120(i), which states:²

The total number of requests for admission which a party may serve upon another party pursuant to Rule 36 of the Federal Rules of Civil Procedure, in a proceeding, **shall not** exceed seventy-five, counting subparts, except that the Trademark Trial and Appeal Board, in its discretion, may allow additional requests upon motion therefor showing good cause, or upon stipulation of the parties, approved by the Board. A motion for leave to serve additional requests must be filed and granted prior to the service of the proposed additional requests and must be accompanied by a copy of the requests, if any, which have already been served by the moving party, and by a copy of the requests proposed to be served.

See also TBMP § 407.05(a) (emphasis added).

Rule 2.120(i) addresses this situation by providing that “[i]f a party upon which requests have been served believes that the number of requests for admission exceeds the limitation specified in this paragraph, **and is not willing to waive this basis for objection**, the party **shall**, within the time for (and instead of) serving answers and specific objections to the request for admissions, serve a general objection on the ground of their excessive number.” (emphasis added)

Here, Applicant did not serve an objection, thus waiving it. In its brief, however, Applicant moved to withdraw its admissions pursuant to Fed. R. Civ. P. 36(b). 9 TTABVUE 4-7. That Rule provides:

² The claims and issues in this opposition are not so complex as to warrant service of more than seventy-five requests for admission.

Opposer’s motion includes a copy of the requests wherein some are partially redacted. 8 TTABVUE 286. However, Opposer did not file a copy to be handled as confidential, as required by Trademark Rule 2.126(c). TBMP §§ 106.03, 110.01 and 120.02. Opposer’s compliance in the event of any future confidential filings is expected.

the court may permit withdrawal or amendment if it would promote the presentation of the merits of the action and if the court is not persuaded that it would prejudice the requesting party in maintaining or defending the action on the merits.

See Giersch v. Scripps Networks, Inc., 85 USPQ2d 1306, 1308 (TTAB 2007) (“Under Rule 36(b), the Board may permit withdrawal or amendment of admissions where ‘the presentation of the merits of the action will be subserved thereby and the party who obtained the admission fails to satisfy the [Board] that withdrawal or amendment will prejudice that party in maintaining the action or defense on the merits.’”); *Hobie Designs Inc. v. Fred Hayman Beverly Hills Inc.*, 14 USPQ2d 2064, 2065 (TTAB 1990) (amendment permitted where the requested admissions were ambiguous and conclusory and possible prejudice avoided by extending discovery period).³ *See also* TBMP § 525.

We consider Applicant’s motion. On the first prong, Applicant explains that withdrawal of the admissions would promote the presentation of the merits by setting forth why it denies at least four requests: Request No. 10 (“NEST is the dominant portion of the NEST EGG Mark.”); Request No. 15 (“Applicant’s Goods and Opposer’s Goods are identical.”); Request No. 44 (“Applicant’s Goods and Opposer’s Goods are marketed and sold to the same consumers.”); and Request No. 82 (“The NEST Mark and the NEST EGG Mark make the same commercial impressions on consumers.”).

³ This caselaw applied a version of Rule 36(b) prior to the amendments effective on December 1, 2007. However, the amendment to the Rule was “part of the general restyling of the Civil Rules to make them more easily understood and to make style and terminology consistent” and “intended to be stylistic only.” Fed. R. Civ. P. 36 Committee Notes on Rules – 2007 Amendment. Our prior precedent remains instructive.

9 TTABVUE 6-7. Each of these requests goes to one of the thirteen likelihood of confusion factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973) (“*du Pont* factors”). It is the policy of the law, and the Board’s preference, to adjudicate likelihood of confusion on the basis of a fully developed record of probative evidence and earnest arguments. Allowing Applicant to amend its admissions advances that goal.

“Under the second prong, the [Board] must examine ‘whether withdrawal ... will prejudice the party that has obtained the admissions.’” *Giersch*, 85 USPQ2d at 1308 (quoting *McClanahan v. Aetna Life Ins. Co.*, 144 F.R.D. 316, 320 (W.D.Va. 1992)). Here, Opposer argues that “grant[ing] such extraordinary relief ... would be undoubtedly prejudicial to Opposer” and that it “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.” 11 TTABVUE 5. But Opposer has “pointed to no particular prejudice in the form of special difficulties it could potentially face caused by the need to obtain evidence. While the Board recognizes that [Opposer] relied on the admissions in filing [its] motion for summary judgment, such reliance does not rise to the level of ‘prejudice’ as contemplated under Rule 36(b).” *Giersch*, 85 USPQ2d at 1309, citing *FDIC v. Prusia*, 18 F.3d 637 (8th Cir. 1994) (holding that the “mere fact that a party may have prepared a summary judgment motion in reliance on an opposing party’s erroneous admission does not constitute ‘prejudice’ such as will

preclude grant of a motion to withdraw admissions). Further, Opposer's set of requests for admissions plainly violated Trademark Rule 2.120(i); it is disingenuous for Opposer to argue that Applicant disregarded the Rules of Procedure. Moreover, the Board affords Opposer the opportunity to serve a revised set (discussed below); any prejudice to Opposer is alleviated. Opposer filed this proceeding presumably intending to satisfy its burden of proof on its claim; Opposer did not become prejudiced by reason of having chosen to file a potentially dispositive motion based on the fruits of improper discovery.

Based on this two-prong analysis and taking into account all the circumstances presented, the Board exercises its discretion pursuant to Rule 36(b) to allow Applicant to withdraw its effective admissions. Accordingly, Applicant's Rule 36(b) motion is **granted**, and the admissions are withdrawn.⁴

Opposer's Motion for Summary Judgment

Opposer's Entitlement to a Statutory Cause of Action⁵

Entitlement to a statutory cause of action must be established in every inter partes case. *Australian Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC*, 965 F.3d

⁴ Applicant's time to serve amended responses is addressed below.

⁵ Both parties address this issue in terms of "standing." 8 TTABVue 10. The Board previously analyzed the requirements of Trademark Act Sections 13 and 14, 15 U.S.C. §§ 1063 and 1064, under the rubric of "standing." Mindful of the Supreme Court's direction in *Lexmark Int'l, Inc. v. Static Control Components, Inc.*, 572 U.S. 118, 134 S. Ct. 1377, 109 USPQ2d 2061, 2066-67 (2014), the Board now refers to this inquiry as entitlement to a statutory cause of action. Despite this change in nomenclature, the Board's prior decisions and those of the Federal Circuit interpreting Sections 13 and 14 remain applicable. *Chutter, Inc. v. Great Mgmt. Grp., LLC*, 2021 USPQ2d 1001, at *10 n.39 (TTAB 2021) (citing *Spanishtown Enters., Inc. v. Transcend Res., Inc.*, 2020 USPQ2d 11388, at *2 (TTAB 2020)). See also TBMP § 309.03(b).

1370, 2020 USPQ2d 10837, at *3 (Fed. Cir. 2020) (citing *Lexmark Int'l*, 109 USPQ2d at 2067 n.4 (2014)). A party in the position of plaintiff may seek to oppose registration of a mark when such opposition is within the zone of interests protected by Trademark Act Section 13, and the plaintiff has a reasonable belief in damage that is proximately caused by the registration of a mark. *Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 2020 USPQ2d 11277, at *6-7 (Fed. Cir. 2020), *cert. denied*, 141 S. Ct. 2671 (2021). “Proof of [entitlement to a statutory cause of action] in a Board [proceeding] is a low threshold, intended only to ensure that the plaintiff has a real interest in the matter, and is not a mere intermeddler.” *Syngenta Crop Prot. Inc. v. Bio-Chek LLC*, 90 USPQ2d 1112, 1117 n.8 (TTAB 2009) (citing *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025-26 (Fed. Cir. 1999)).

Opposer relies on common law rights to, and ownership of, the mark NEST EGG in Registration No. 6236897. With its motion, Opposer submitted the TESS (Trademark Electronic Search System) and TSDR (Trademark Status and Document Retrieval) copies of this registration, pursuant to Trademark Rule 2.122(d). 8 TTABVUE 268, 270. Inasmuch as Opposer relies on the registration in support of its likelihood of confusion claim, Applicant has failed to establish that there is no genuine dispute that Opposer is not entitled to a statutory cause of action under Trademark Act Section 13. *Australian Therapeutic*, 2020 USPQ2d 10837, at *3. *See also Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000) (pleaded registration establishes entitlement to a statutory cause of action);

Lipton Indus., Inc. v. Ralston Purina Co., 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

Priority

Inasmuch as Opposer made of record its valid and subsisting pleaded registration, and Applicant did not counterclaim to cancel it, priority is not in issue for Opposer's registered mark NEST EGG for the goods and services identified in the registration. *King Candy, Inc. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974). *See also Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1727-28 (Fed. Cir. 2012); *L'Oreal S.A. v. Marcon*, 102 USPQ2d 1434, 1436 n.7 (TTAB 2012); *Research in Motion Ltd. v. Defining Presence Mktg. Grp. Inc.*, 102 USPQ2d 1187, 1190 (TTAB 2012).

Likelihood of Confusion

On summary judgment, determining whether there are genuine disputes of material fact regarding likelihood of confusion involves an analysis of all probative facts in evidence that are relevant to the thirteen factors set forth in *In re E. I. du Pont de Nemours & Co.*, 177 USPQ at 567. Two key considerations are the similarities between the marks, and the similarities between the goods and services. *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976); *Ricardo Media v. Inventive Software*, 2019 USPQ2d 311355 at *5 (TTAB 2019); *Joel Gott Wines LLC v. Rehoboth Von Gott Inc.*, 107 USPQ2d 1424, 1429 (TTAB 2013).

Opposer addresses various *du Pont* factors, though its points largely consist of a recitation of applicable caselaw, coupled with reliance on its requests for admission

which, as noted, do not stand as admitted. Regarding the parties' marks, it argues that the NEST portion of its NEST EGG mark is dominant and identical to Applicant's NEST mark. Addressing the parties' goods, it argues that its broad scope of goods and services encompasses applicant's goods. It argues that the parties' goods are marketed, offered and sold to consumers on the internet and through App Store, and that both parties' products are low-priced and subject to impulse buying. Also, it maintains that its NEST EGG mark is well known and famous among consumers of inventory management software products and services due to over ten years of use. Opposer submits the declaration of its CEO, which includes documents depicting use of its NEST EGG mark on its website, screen captures from App Store, press coverage and media articles. It also submits the declaration of its counsel, which includes Applicant's responses to Opposer's interrogatories.

For its part, Applicant posits that the two-word mark NEST EGG is distinct from NEST and that they evoke different definitions and commercial impressions because "nest egg" means "a sum of money saved for the future" and evokes thoughts about retirement. Further regarding commercial impression, it posits that its NEST mark describes the features of its application wherein users organize things by cataloguing and keeping track of items, an action known as "to Nest" or "Nesting." It also maintains that its goods are for the home consumers' personal inventory management, whereas Opposer's goods are for the business consumer. It submits the declarations of its president who explains the uses of and purpose for Applicant's

goods, e.g. “for home inventory, shopping & gift planning, outfit curation, and other use cases to organize one’s personal life,” and the declaration of its counsel.

Decision

Having considered all arguments and viewing the record in the light most favorable to Applicant, the Board finds that Opposer has not carried its burden of demonstrating that there is no genuine dispute of material fact with respect to whether the contemporaneous use of the parties’ marks on or in connection with their identified goods and services would cause a likelihood of confusion as to source. At a minimum, Applicant has come forward with minimal though sufficient arguments, documents and supporting declarations which offer further explanation regarding its software, and thus raise the issue that the parties’ identified products may be sufficiently different to warrant a finding of no likelihood of confusion.

In view of these findings, Opposer’s motion for summary judgment is **denied**.

Applicant’s Cross-Motion for Summary Judgment

Applicant did not distinctly argue in favor of a cross-motion, but within its brief states that it seeks summary judgment that: 1) Opposer is not entitled to a statutory cause of action; and 2) there is no likelihood of confusion. 9 TTABVUE 16.

As for entitlement, as noted, Opposer has met its burden to demonstrate that there is no genuine dispute regarding its entitlement, based on its pleaded registration. Accordingly, Applicant’s cross-motion on this issue is **denied**.

As for likelihood of confusion, having considered all arguments and viewing the record in the light most favorable to Opposer, the Board finds that Applicant has not

carried its burden of demonstrating that there is no genuine dispute of material fact. At a minimum, genuine disputes of material fact remain for trial as to the similarity of the marks and the similarity of the goods and services, their channels of trade and classes of consumers.

In view of these findings, Applicant's cross-motion is also **denied**.

The evidence submitted in connection with the cross-motions for summary judgment is of record only for consideration of those motions. To be considered at final hearing, any such evidence must be properly introduced in evidence during the appropriate trial period. *Drive Trademark Holdings LP v. Inofin*, 83 USPQ2d at 1438 n.14; *Levi Strauss & Co. v. R. Josephs Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993).

Moreover, the fact that we have identified certain issues that are in dispute should not be construed as a finding that these are necessarily the only issues which remain for trial.

Resumption and Schedule

Proceedings are resumed. Discovery is reopened for the limited purpose of allowing the parties to conduct discovery as follows:

Opposer is allowed until **twenty (20) days from the date of this order** to serve, if it wishes, a revised set of requests for admissions that complies with Trademark Rule 2.120(i).

If Opposer serves a revised set, Applicant is allowed until **twenty (20) days from the date of service thereof** to serve responses without objection on the merits,

failing which the revised requests will be deemed admitted for the purpose of trial by operation of Fed. R. Civ. P. 36(a). *No Fear v. Rule*, 54 USPQ2d 1551, 1554 (TTAB 2000).

In view of this ruling, discovery and trial dates are reset as follows:

Discovery AS LIMITED HEREIN Closes	6/13/2022
Plaintiff's Pretrial Disclosures Due	7/28/2022
Plaintiff's 30-day Trial Period Ends	9/11/2022
Defendant's Pretrial Disclosures Due	9/26/2022
Defendant's 30-day Trial Period Ends	11/10/2022
Plaintiff's Rebuttal Disclosures Due	11/25/2022
Plaintiff's 15-day Rebuttal Period Ends	12/25/2022
Plaintiff's Opening Brief Due	2/23/2023
Defendant's Brief Due	3/25/2023
Plaintiff's Reply Brief Due	4/9/2023
Request for Oral Hearing (optional) Due	4/19/2023

Generally, the Federal Rules of Evidence apply to Board trials. Trial testimony is taken and introduced out of the presence of the Board during the assigned testimony periods. The parties may stipulate to a wide variety of matters, and many requirements relevant to the trial phase of Board proceedings are set forth in Trademark Rules 2.121 through 2.125. These include pretrial disclosures, the manner and timing of taking testimony, matters in evidence, and the procedures for submitting and serving testimony and other evidence, including affidavits, declarations, deposition transcripts and stipulated evidence. Trial briefs shall be submitted in accordance with Trademark Rules 2.128(a) and (b). Oral argument at

final hearing will be scheduled only upon the timely submission of a separate notice as allowed by Trademark Rule 2.129(a).

It is the responsibility of each party to ensure that the Board has the party's current correspondence address, including an email address. TBMP § 117.07. The Board must be promptly notified of any address or email address changes for the parties or their attorneys.