

**THIS OPINION
IS NOT A PRECEDENT
OF THE T.T.A.B.**

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

DUNN

Mailed: September 27, 2011

Opposition No. 91195582

Microsoft Corporation

v.

Apple Inc.

**Before Walters, Bergsman, and Lykos, Administrative
Trademark Judges:**

By the Board:

On July 17, 2008, Apple Inc. ("applicant") filed application Serial No. 77525433 based on its allegation of a bona fide intent to use the mark APP STORE in standard characters for services subsequently amended to:

International Class 35

Retail store services featuring computer software provided via the internet and other computer and electronic communication networks; retail store services featuring computer software for use on handheld mobile digital electronic devices and other consumer electronics;

International Class 38

Electronic transmission of data via the internet, global computer networks, wireless networks and electronic communication networks; providing access to global computer networks, wireless

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networks and electronic communications networks for transmission or receipt of data; and

International Class 42

Maintenance, repair and updating of computer software; providing a website featuring technical information relating to computer software provided; providing computer software consulting services; technical support services, namely, troubleshooting in the nature of diagnosing and repairing computer software problems; computer services, namely, providing search engines for obtaining data via electronic communications networks; providing temporary use of non-downloadable computer software to enable users to program, organize and access audio, video, text, multimedia content and third-party computer software programs; internet services, namely, creating indexes of information, sites, and other resources available on global computer networks for others; searching and retrieving information, sites, and other resources available on global computer networks and other electronic communication networks for others.

On February 18, 2009, applicant submitted a disclaimer of the exclusive right to use STORE.¹ On September 21, 2009, applicant amended its application to seek registration based on acquired distinctiveness under Trademark Act Section 2(f). On November 20, 2009, applicant filed an amendment to allege use alleging March 6, 2008 as its date of first use and July 10, 2008 as its date of first use in commerce.

On July 6, 2010, Microsoft Corporation ("opposer") filed a notice of opposition with the claim that the mark

¹ Applicant also claimed ownership of prior Registration Nos. 2424976 (THE APPLE STORE), 2462798 (APPLE STORE), and 2683410 (APPLE STORE).

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APP STORE is generic as used in connection with applicant's services in all three classes, and additionally claims²:

15. The services claimed by Applicant in Classes 38 and 42 are provided by Applicant in the course of and in connection with its retail store services, and are the type of services that would normally be provided by an online retail store featuring downloadable software apps.

16. On information and belief, Applicant does not use APP STORE as a trademark for some or all of the claimed services in Classes 38 and 42.

17. On information and belief, some or all of the claimed services in Class 38 and 42 are incidental to Applicant's claimed retail services in Class 35 and should not be considered a separately registrable service. See TMEP §1301.01(a)(iii).

On August 16, 2010, applicant filed its answer denying the salient allegations of the notice of opposition. Pursuant to the Board's institution and trial order, discovery was scheduled to close March 14, 2011.

On January 10, 2011, opposer filed a motion for summary judgment on both pleaded claims.³ The motion has been fully briefed.⁴

² The exhibits submitted with the notice of opposition will be given no consideration. See Trademark Rule 2.122(c).

³ Inasmuch as the claims to be decided herein do not require clarification, applicant's motion for an oral hearing on the motion for summary judgment (filed April 6, 2011) is denied. *Giant Food, Inc. v. Standard Terry Mills, Inc.*, 229 USPQ 955, 957 (TTAB 1986) ("It has long been the practice of the Board to deny oral hearings on motions except where it appears that a hearing would aid in clarifying the issues. Where, however, it appears that the motions under consideration have been adequately briefed, an exception to the usual practice is unwarranted."); TBMP Section 502.03 (3d ed. 2011).

⁴ On March 21, 2011, the Board approved applicant's filing of a reformatted brief.

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In support of its motion for summary judgment on the genericness claim, opposer contends that applicant uses the term APP STORE in connection with an online store where users can purchase and download applications for use on applicant's electronic devices; that the term APP STORE is generic for retail store services featuring applications; that the term APP STORE is generic for ancillary services such as searching for and downloading applications from such stores; and that the relevant public understands the term APP STORE to refer to online stores from which applications can be acquired. Opposer submits the declarations of attorney Nathaniel Durrance and linguistics expert Ronald Butters, and hundreds of pages of exhibits including dictionary definitions for the terms "app," "application," and "store;" descriptions of applicant's services from transcripts of applicant's public meetings, website, Facebook page, press releases, developers' guidelines and specimens submitted in connection with its trademark application; the results of a database search for "app store" in news articles; and web pages, advertisements, and articles with third party use of "app store" to refer to services which are highly similar if not identical to the services listed in the opposed application.

In support of its motion for summary judgment on the nonuse claim, opposer contends that applicant's three

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classes of services are really the single service of selling applications. Opposer supports its position with the declaration of attorney Dorrance, who avers that he has reviewed attached webpages from applicant's competitors and believes that each competitor offers under a single mark the same services listed in the opposed application.

In opposition to the motion for summary judgment on the genericness claim, applicant argues that it coined the term APP STORE two years ago and promoted APP STORE as the name of its highly successful service used by over 160 million consumers worldwide. Applicant further contends that opposer has not adequately defined the genus of services, and that the term APP STORE has acquired distinctiveness as applicant's trademark among relevant consumers. Applicant submits multiple declarations, also supported by hundreds of pages of exhibits. The declaration of Legal Director Thomas Perle avers that the term APP STORE was not in use before Apple coined and promoted it, that Apple's service was immediately popular due in part to Apple's promotion of its services using the APP STORE mark, and that the relevant public understands APP STORE to designate applicant's services. Both the declarations of Robert Leonard, linguistics expert, and Attorney Alicia Jones aver that the evidence of consumer perception submitted by opposer is flawed, and that applicant's database search demonstrates

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that the term APP STORE is understood to be applicant's trademark. Ms. Jones' declaration also refers to third party registrations for marks including the term STORE on the Principal Register.

In opposition to the motion for summary judgment on the nonuse claim, applicant does not have a specific section addressing opposer's argument but contends (Opposition, p. 9) that opposer offers no definition of the appropriate genus of services, and is inconsistent in how opposer refers to applicant's services.

Summary judgment is appropriate where there are no genuine disputes of material fact, thus allowing the case to be resolved as a matter of law. Fed. R. Civ. P. 56(a). The party seeking summary judgment bears the burden of demonstrating the absence of any genuine dispute as to any material fact, and that it is entitled to a judgment under the applicable law. See *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). In deciding a motion for summary judgment, "[t]he evidence of the nonmovant is to be believed, and all justifiable inferences are to be drawn in his favor." *Boston Scientific Corp. v. Johnson & Johnson*, 647 F.3d 1353, 99 USPQ2d 1001 (Fed. Cir. 2011) quoting *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 255, 106 S. Ct. 2505, 91 L.Ed.2d 202 (1986).

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In genericness cases, the critical issue is "whether members of the relevant public primarily use or understand the term sought to be protected to refer to the genus of goods or services in question." In re 1800Mattress.com IP LLC, 586 F.3d 1359, 92 USPQ2d 1682, 1684 (Fed. Cir. 2009), citing H. Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc., 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986). Thus, the plaintiff asserting that a mark is generic must (i) establish the genus of goods or services at issue, and (ii) establish that the term sought to be registered or retained on the register is understood by the relevant public primarily to refer to that genus of goods or services. Id.

For the purposes of establishing nonuse because the activity listed in the application is not a service, the plaintiff must establish that the activity is not performed to the order of, or for the benefit of, someone other than the applicant or registrant; and the activity performed is not qualitatively different from anything necessarily done in connection with the performance of another service. Carefirst of Maryland Inc. v. FirstHealth of the Carolinas Inc., 77 USPQ2d 1492, 1502 (TTAB 2005). The fact that the activities are offered only to purchasers of the trademark owner's primary product or service does not necessarily mean that the activity is not a service. Id.

After careful consideration of the conflicting evidence and arguments submitted by the parties, we find that opposer has not provided evidence sufficient to demonstrate that there is no genuine factual dispute, and that it is entitled to judgment as a matter of law on either the claim that the mark is generic or the claim of nonuse. We find that genuine disputes of material fact exist, at a minimum, regarding how the relevant public primarily uses or understands the term APP STORE, and whether applicant's International Class 38 and 42 services are qualitatively different than its International Class 35 services.⁵ Accordingly, opposer's motion for summary judgment on the claims of genericness and nonuse are denied.⁶

REQUIRED NOTICE OF RELATED PROCEEDINGS

As set forth in the Board's institution and trial order:

If the parties to this proceeding are (or during the pendency of this proceeding become) parties in

⁵ Because opposer did not meet its burden and provide evidence sufficient to demonstrate that applicant is not performing the separable services listed in the opposed application, applicant did not have to present evidence to avoid entry of summary judgment on the nonuse claim.

⁶ Although we have only mentioned a few genuine disputes of material fact in this decision, this is not to say that this is all that would necessarily be at issue for trial. The parties should note that evidence submitted in support of or in opposition to a motion for summary judgment is of record only for consideration of that motion. Any such evidence to be considered at final hearing must be properly introduced in evidence during the appropriate trial period. See *Levi Strauss & Co. v. R. Joseph Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993).

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another Board proceeding or a civil action involving related marks or other issues of law or fact which overlap with this case, they shall notify the Board immediately, so that the Board can consider whether consolidation or suspension of proceedings is appropriate.

More specifically, if applicant is involved in a civil action in which a district court will make findings as to applicant's trademark rights in APP STORE, applicant is ordered to notify the Board, in writing, immediately.⁷

PROCEEDINGS HEREIN ARE RESUMED

Proceedings are resumed and dates are reset below.

Expert Disclosures Due	11/2/2011
Discovery Closes	12/2/2011
Plaintiff's Pretrial Disclosures Due	1/16/2012
Plaintiff's 30-day Trial Period Ends	3/1/2012
Defendant's Pretrial Disclosures Due	3/16/2012
Defendant's 30-day Trial Period Ends	4/30/2012
Plaintiff's Rebuttal Disclosures Due	5/15/2012
Plaintiff's 15-day Rebuttal Period Ends	6/14/2012

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

⁷ The Board notes that Opposition No. 91200826, in which Apple Inc. contests Microsoft Corporation's use of "app stores" in its recitation of services, has been suspended pending the disposition of this proceeding.

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Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

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