

| SIGNATURE SECTION | |
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| DECLARATION SIGNATURE | The filing Attorney has elected not to submit the signed declaration, believing no supporting declaration is required under the <i>Trademark Rules of Practice</i> . |
| RESPONSE SIGNATURE | /NMC_mal/ |
| SIGNATORY'S NAME | Noel M. Cook |
| SIGNATORY'S POSITION | Attorney of Record |
| DATE SIGNED | 01/02/2008 |
| AUTHORIZED SIGNATORY | YES |
| CONCURRENT APPEAL NOTICE FILED | YES |
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OMB No. 0651-.... (Exp. 08/31/2004)

Request for Reconsideration after Final Action To the Commissioner for Trademarks:

Application serial no. **78907865** has been amended as follows:

ARGUMENT(S)

In response to the substantive refusal(s), please note the following:

I. INTRODUCTION

On July 10, 2007, the Examining Attorney made final the refusal to register Applicant's APPSTORE mark under Section 2(e). For the reasons stated below, Applicant respectfully submits that the APPSTORE mark is suggestive, and not merely descriptive of Applicant's services. Applicant respectfully requests that the Examining Attorney reconsider Applicant's arguments in support of registration.

II. AMENDMENT TO RECITATION OF SERVICES

In order to more accurately identify the services for which Applicant is seeking registration, Applicant has elected to amend the recitation of services to delete services in Class 35.

III. “APPSTORE” IS SUGGESTIVE OF APPLICANT’S SERVICES

A mark is suggestive if, when applied to the goods or services at issue, imagination, thought or perception is required to reach a conclusion as to the nature of those goods or services. TMEP § 1209.01(a). In contrast, to be refused registration on the Principal Register under Section 2(e)(1), a mark must immediately describe an ingredient, quality, characteristic, function, feature, purpose or use of the specified services. TMEP § 1209.01(b). In other words, “if the mark imparts information directly, it is descriptive. If it stands for an idea which requires some operation of the imagination to connect it with the goods, it is suggestive.” *Money Store v. Harriscorp Finance, Inc.*, 689 F.2d 666, 673-74 (7th Cir. 1982) (upholding determination by TTAB and district court that THE MONEY STORE is suggestive, not descriptive, of money lending services).

The Final Refusal is based on the assertions that Applicant’s mark merely combines two descriptive terms: “apps” meaning “applications,” and “store” meaning “a place where merchandise is offered for sale.” The Examining Attorney asserts that the mark “immediately describes a retail opportunity to obtain application [sic], which is shortened to ‘apps’ . . . It is evident that the purpose of the mark is to provide application software in a retail environment.” However, as discussed below, Applicant’s services are not retail in nature. Moreover, the term “store” carries distinctive double entendre connotations in relation to Applicant’s services.

A. Applicant’s Services are Not “Store” Services

When consumers think of a “store,” they generally imagine a building where they can go to purchase goods from a store proprietor. Over the last several years, the meaning of the word “store” within the context of retail sales has evolved to include online or internet-based retail stores. For example, in the computer software and hardware industry, retail outlets such as CompUSA, Fry’s Electronics, and BestBuy maintain both “brick-and-mortar” retail store outlets, as well as an online retail presence. Both channels of distribution would be considered “stores” in the modern sense of the word.

However, it is critical to distinguish the services offered by Applicant from retail store services offered by merchants such as Fry’s or CompUSA. When a customer visits a CompUSA store to purchase computer software, the consumer selects a particular product from among many offered by various manufacturers. The consumer pays for the software product, brings it home and installs it on her own computer. The proprietor of the retail store provides no other services or support for the customer. Warranty or product support is generally provided by the manufacturer of the software product.

As set forth in the class 42 identification of services, Applicant is not an online retail store. Rather, Applicant is an “application service provider” (“ASP,” also known as “on demand software” or “software as a service”). ASPs are essentially the antithesis of a retail store environment. ASPs do not sell or distribute software. Instead, ASPs host software programs on their own servers. Their customers are not purchasers, but rather “subscribers,” who pay a monthly fee in order to access and use the hosted software. The advantages to the consumer are set forth in the attached Wikipedia entries included in Exhibit A: “Customers do not pay for owning the software itself but rather for using it.” (“Software as a

service” entry). “Through ASPs, the complexities and costs of such software can be cut down. In addition, the issues of upgrading have been eliminated from the end-firm [subscriber] by placing the onus on the ASP to maintain up-to-date services, 24 x 7 technical support, physical and electronic security and in-built support for the business continuity and flexible working.” (“Application service provider” entry). *See generally* Exhibit A.

As an ASP, Applicant offers a proprietary, subscription-based, computer software platform where subscribers can access and use on a temporary basis, online non-downloadable software functions to organize and manage their customer relationship management (“CRM”) data. Such software functions include, for example, customer support and service, managing and tracking sales leads, and forecasting future sales performance. (*See, e.g.*, the 24 Hour Fitness case study included in Exhibit B.) Applicant’s subscribers may access and utilize as many or as few of these various components as needed. Subscribers are assessed fees based on the number and type of features they use. They may use the software for as long as they maintain a subscription to Applicant’s service platform. Once the subscriber allows the subscription to lapse, its access to the software ends. *See generally* Exhibit B (excerpts from Applicant’s website). This is the system Applicant’s chief executive was referring to when he called APPSTORE “a marketplace of on-demand applications.” *Id.*; *see also* Exhibit A (Wikipedia “On-demand” entry: “On-demand software is typically delivered by an application service provider.”)

B. Applicant’s Mark Uses the Term “Store” in a Suggestive Manner

1. “Store” is Not Descriptive of ASP Services

As discussed above, the term “store” in Applicant’s mark does not refer to a retail environment or an online retail opportunity to purchase software. Thus, the meaning of “store” asserted by the Examiner, namely, as a retail opportunity to obtain software applications, is not an accurate description of Applicant’s services. “Store” does not impart information directly about Applicant’s services; and does not immediately convey an ingredient, quality, characteristic, function, feature, purpose or use of Applicant’s ASP services. Rather, “store” when used for ASP services is merely suggestive of a resource for non-retail services. As discussed below, consumers must use imagination, thought and perception to reach the correct conclusion as to the nature of the services, not as a retail store, but rather as on-demand software services.

2. “Store” Carries Double Entendre Connotations for ASP Services

In the context of Applicant’s ASP services, “store” suggests at least three separate aspects of the ASP services. First, “store” suggests a business arrangement analogous to, but not the same as, retail stores, in that customers pay for a service. Second, “store” suggests the storage function of the ASP - as a service which installs and “stores” software on its own servers for subscribers to access, rather than distributing software to customers to be installed on the customer’s computer. Third, “store” may also be used to refer to “a great quantity or number” or “an abundance.” *See* Exhibit C (definitions of “store”). None of these alternate connotations directly imparts information about Applicant’s ASP services. Rather, all of them require some operation of imagination to connect them with the nature of Applicant’s on-demand software services. *See* TMEP §1213.05(c) (a “double entendre” is an expression that has a double connotation or significance as applied to the goods or services, and should not be refused registration if one of its meanings is not merely descriptive).

3. “Store” is Consistently Held Suggestive of ASP and Other Non-Retail Services

Because ASPs do not provide a retail experience, and the word “store” carries alternate distinctive double entendre connotations, the Office has consistently recognized that “store” is suggestive, and not merely descriptive, specifically with respect to ASP services. The Office has registered or allowed several such marks on the Principal Register without requiring disclaimer of the word “store.” *See, e.g.*, Reg. Nos. 3,141,958 (RECORDSTORE for ASP in the fields of information collection, editing and organizing, information storage and retrieval); 2,859,964 (DOCSTORE for providing temporary use of online non-downloadable software for photocopying, processing, typing, reproducing, transmitting, printing, assembling and finishing shared electronic documents); 2,987,685 (CLEARSTORE for providing temporary use of online non-downloadable software for use in enabling merchants to offer goods and services for sale to customers); Appln. Serial Nos. 78/809,314 (ALLOWANCE STORE for providing non-downloadable software for parents, grandparents, or guardians, to deposit, monitor, manage, and distribute allowances for kids and tweens); 77/161,592 (LIVESTOR for ASP in the fields of data storage and retrieval and remote data management; Serial No. 77/046,943 (ASTORE & Design for ASP featuring customizable templates for creating ecommerce websites). *See Exhibit D.*

As these records reflect, “store” does not immediately describe any aspect of ASP services. For example, the mark RECORDSTORE (U.S. Reg. No. 3,141,958) is used in connection with essentially identical ASP services as identified for Applicant’s mark, e.g., for business information collection, editing, organizing, storage and retrieval. ALLOWANCE STORE (Serial No. 78/809,314) is used in connection with “providing online non-downloadable software for parents, grandparents, or guardians, to deposit, monitor, manage, and distribute allowances for kids and tweens.” As with APPSTORE, in RECORDSTORE and ALLOWANCE STORE, the word “store” does not reflect a retail environment. Business customers do not go to the RECORDSTORE website to buy software, and parents do not go to the ALLOWANCE STORE website to purchase an allowance for their child. Rather, “store” in these marks conveys the idea of a commercial establishment whose services somehow involve “records” or “allowances,” respectively. Similarly, one connotation of “store” in the mark APPSTORE is to suggest the idea of a commercial business whose services somehow involve “apps.” As the Office recognized with respect to all of the above-referenced marks, the term “store” does not necessarily “convey the essence” of an ASP’s non-retail environment. *See The Money Store, supra*, 689 F.2d at 674 (“THE MONEY STORE conveys the idea of a commercial establishment whose service involves supplying money. The term does not, however, necessarily convey the essence of the business”). Consumers must make a mental leap of imagination to detach the meaning of “store” as a retail environment in order to connect the mark with the ASPs alternate online services model.

Similarly, the Office has registered or allowed many other “store” marks on the Principal Register for analogous non-retail goods or services, without requiring that “store” be disclaimed. *See, e.g.*, Reg. Nos. 3,335,019 (THE EMPLOYMENT STORE for employment hiring, recruiting, placement, staffing and career networking services); 3,124,951 (THE IRA STORE for financial consulting services); 3,020,493 (THE WEBSITE STORE for design, creation, hosting and maintenance of websites); 2,897,277 (PRICE STORE & Design for search engine services); 2,782,433 and 2,729,959 (HOMESTORE & Design and HOMESTORE.COM & Design for providing online information services); 2,774,466 (SAFERSTORE for website hosting services); 2,760,575 (THE ANSWER STORE for medical practice association services); 2,646,370 (IMSTORE for search engine services); 2,583,215 (BRANDSTORE for designing and implementing websites); 2,570,622 (VERISTORE for online technical computer assistance); 2,556,434

(THE EMPLOYER STORE for videotapes and printed materials concerning legal issues); 2,552,902 (THE CAREER STORE for career counseling); 2,481,587 (THOUGHTSTORE for providing online intellectual property information); 2,475,205 (LIGHTNINGSTORE.COM for online lightning detection and location services); 2,469,894 (DIGITAL OBJECT STORE for distributed digital information services); 2,438,078 (INDUSTRYSTORE for providing online book and article reviews); 2,361,254, 1,401,559 and 981,752 (THE MONEY STORE for money lending services); 2,351,174 (THE DIVORCE STORE & Design for document preparation services); Appln. Serial No. 77/147,587 (MYBOOKSTORE for uploading, posting, showing and displaying photographs, images and digital photo albums). *See* Exhibit E.

These examples are also instructive because the marks are no less related to retail services than Applicant's mark, and were thus found registrable under Section 2(e). These marks similarly establish that "store" is suggestive for commercial services outside a retail environment. For example, the lending company designated by the mark THE MONEY STORE is not a "store" where consumers purchase currency. Rather, THE MONEY STORE suggests a resource for homebuyers seeking residential lending services. *See The Money Store, supra*, 689 F.2d at 674 (THE MONEY STORE is suggestive rather than descriptive: it suggests the idea of a commercial establishment whose service involves supplying money, but does not necessarily "convey the essence of the business"). Likewise, THE IRA STORE offers retirement planning and investment strategy services. The word "store" is not being used to convey a retail store where consumers purchase products; instead, "store" suggests a place where consumers can go to receive information and advice on investments.

4. Any Doubts Must be Resolved in Favor of Suggestiveness

For all of the above reasons, Applicant respectfully submits that the mark APPSTORE is not merely descriptive of the identified class 42 services. The mark APPSTORE is a unitary telescoped mark which, when taken as a whole, is suggestive of Applicant's ASP services. *See* TMEP § 1213.05(a)(i). The Examiner has not made a *prima facie* showing that the mark is merely descriptive. All doubt must be resolved in favor of suggestiveness. *See, e.g., In re Gourmet Bakers Inc.*, 173 USPQ 565 (TTAB 1972).

IV. CONCLUSION

Applicant submits that its mark is a suggestive combination of the terms "APPS" and "STORE." Because Applicant does not provide "store" services in connection with the APPSTORE mark, Applicant respectfully submits that, when viewing Applicant's Mark as a whole, the mark cannot be held merely descriptive for Applicant's services.

Applicant believes that Applicant has fully responded to all points raised by the Examining Attorney in the July 10, 2007 Office Action, and that the application is now in condition for publication. Applicant respectfully requests favorable action be taken, and invites the Examining Attorney to contact the undersigned at (415) 882-3200 if further discussion on this matter is warranted.

EVIDENCE

Evidence in the nature of Screenshots of Applicant's website and 3rd party evidence in support of Request for Reconsideration has been attached.

Original PDF file: