

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

|                        |   |                                  |
|------------------------|---|----------------------------------|
| MICROSOFT CORPORATION, | ) |                                  |
|                        | ) | Opposition No. 91195582          |
| Opposer,               | ) |                                  |
|                        | ) | Serial No. 77/525433             |
| v.                     | ) |                                  |
|                        | ) |                                  |
| APPLE INC.,            | ) | Attorney Docket No. 663005.80652 |
|                        | ) |                                  |
| Applicant.             | ) |                                  |
| <hr/>                  |   |                                  |

**OPPOSER MICROSOFT CORPORATION'S  
MOTION FOR SUMMARY JUDGMENT**

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## **I. Introduction and Summary of Argument**

Apple's "App Store" is an online store where users can purchase and download apps for use on their iPods, iPads and iPhones. Microsoft opposes Apple's Application Serial No. 77/525433 for APP STORE on the grounds that "app store" is generic for retail store services featuring apps and unregistrable for ancillary services such as searching for and downloading apps from such stores.

Microsoft moves for summary judgment refusing registration of APP STORE. The following undisputed facts establish that "app store" is generic for retail store services featuring apps:

- "App" is a common generic name for the goods offered at Apple's store, as shown in dictionary definitions and by widespread use by Apple and others.
- "Store" is generic for the "retail *store* services" for which Apple seeks registration, and indeed, Apple refers to its "App Store" as a store.

These facts alone establish genericness as a matter of law under the cases holding that a generic product name followed by "store" is generic for retail store services featuring the product. See Section IV.B., below.

The undisputed facts further show that the combined term "app store" is commonly used in the trade, by the general press, by consumers, by Apple's competitors *and even by Apple's founder and CEO Steve Jobs*, as the generic name for online stores featuring apps. A search of Westlaw's US ALL NEWS database found over 1,000 current articles using "app store" as the generic name for stores featuring apps. Indeed, in a recent interview, Apple CEO Steve Jobs criticized the proliferation of app stores for Google's competing Android platform as follows:

In addition to Google's own app marketplace, Amazon, Verizon and Vodafone have all announced that they are creating their own **app stores** for Android. There will be at least four **app stores** on Android which customers must search through to find the app they want and developers will need to work to distribute their apps and get paid.

(Declaration of Nathaniel Durrance ("Durrance Decl.") ¶ 4, Ex. 2) (emphasis added). This undisputed evidence confirms that "app store" is generic.

The Class 38 and 42 services for which Apple seeks registration (*e.g.*, downloading, searching for, and updating apps from its app store) are offered with and ancillary to its primary retail store services. Like bagging groceries in a grocery store, they are not separately registrable services. Further, a generic name for a primary service cannot be registered for services offered with the primary service lest competitors be prevented from fairly describing their services.

“App store” is a generic name that Apple should not be permitted to usurp for its exclusive use. Competitors should be free to use “app store” to identify their own stores and the services offered in connection with those stores. Microsoft’s motion for summary judgment should be granted and Apple’s application to register APP STORE refused.

This motion is supported by the Declaration of Nathaniel Durrance filed herewith.

## **II. Summary of Undisputed Facts**

The following facts are not in dispute:

1. Apple seeks registration for APP STORE, *inter alia*, for “retail store services.” Application Serial No. 77/525433 (emphasis added).
2. “App” is used in the trade, by the press, by relevant consumers, by Apple’s competitors and by Apple as the name for software applications, especially applications for mobile devices. (Durrance Decl. ¶¶ 1, 4, 9-19, 22; Exs. 1-2, 7-17, 20)
3. Apple uses “app” to name the goods offered at its “App Store.” (Durrance Decl. ¶¶ 9-10, 12-15; Exs. 7-8, 10-13)
4. Dictionaries define “app” as a software application. (Durrance Decl. ¶¶ 5-6; Exs. 3-4)
5. Apple refers to its “App Store” as a “store.” (Durrance Decl. ¶¶ 12, 14-15; Exs. 10, 12-13) For example, Apple has described its “App Store” in a September 2009 press release as follows:

“Apple® today announced that more than two billion apps have been downloaded from its revolutionary App Store, the largest applications **store** in the world. There are now more than 85,000 apps available....”

(Durrance Decl. ¶ 14, Ex. 12 at 1) (emphasis added); *See also Id.* at 4-6 (Apple press releases from July 14, April 24, and November 4, 2009).

6. Apple refers to its other online retail stores as “store(s)” (*e.g.*, iTunes Store”). (Durrance Decl. ¶ 14, Ex. 12)

7. Dictionaries define “store” as a place where goods are sold. (Durrance Decl. ¶¶ 7-8, Exs. 5-6)

8. “App store” is used in the trade press, the general press, by consumers, by Apple’s competitors and by Apple’s founder and CEO, Steve Jobs, as the name for online stores offering apps for download. (Durrance Decl. ¶¶ 1, 4, 9-19, 24; Exs. 1, 7-17, 20-21, 22)

9. Apple filed Application Serial No. 77/525433 on July 17, 2008, for APP STORE listing the following services:

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.

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

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.

10. Apple’s trademark application for APP STORE disclaims “store.” (Application Serial No. 77/525433)

11. Apple’s “App Store” allows customers to view, search, purchase and download apps. (Durrance Decl. ¶¶ 9-10, 12; Exs. 7-8, 10)

12. All of the services claimed in Apple’s APP STORE trademark application are offered in connection with its online retail store services. (Durrance Decl. ¶¶ 9-10, 12; Exs. 7-8, 10)

13. Consumers who access Apple’s “App Store” from a personal computer do so through the “STORE” option on Apple’s iTunes website as shown in the specimens of use filed by Apple in its APP STORE application, which are screenshots from its iTunes store. (Durrance Decl. ¶ 9, Ex. 7)

14. Apple’s specimens of use show the “App Store” as an option to select under the iTunes “Store” category. (Durrance Decl. ¶ 9, Ex. 7)

15. Apple’s specimens show a search box that allows users to search for apps, music, movies, etc. with the text “Search Store” in the search box. (Durrance Decl. ¶ 9, Ex. 7)

16. Apple’s Class 38 specimen shows an app being downloaded from its App Store. (Durrance Decl. ¶ 9, Ex. 7)

17. Apple’s Class 38 specimen shows a “Get App” button used to purchase apps from its App Store. (Durrance Decl. ¶ 9, Ex. 7) The current version of Apple’s App Store uses a “Buy App” button for this purpose. (Durrance Decl. ¶ 12, Ex. 10 at 5)

### **III. Legal Standard for Summary Judgment – No Material Facts in Dispute and Moving Party Entitled to Judgment as a Matter of Law**

Summary judgment is encouraged in *inter partes* trademark proceedings before the Board, *Phoenix Closures, Inc. v. Yen Shaing Corp.*, 9 USPQ2d 1891, 1892 (TTAB 1988), because the issues are limited to registrability and are therefore “particularly suitable” for disposition by summary judgment. *Pure Gold, Inc. v. Syntex (U.S.A.) Inc.*, 222 USPQ 741, 744 n.2 (Fed. Cir. 1984).

Summary judgment is appropriate where there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. *Giant Food, Inc. v. Standard Terry*

*Mills, Inc.*, 229 USPQ 955, 961 (TTAB 1986). No genuine issue for trial exists where the record taken as a whole could not lead a rational trier of fact to find for the non-moving party.

*Matsushita Electric Industrial Co. Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1987). A dispute is genuine only if, on the entirety of the record, a reasonable trier of fact could resolve a factual matter in favor of the non-moving party. *Sweats Fashion, Inc. v. Pannill Knitting Co.*, 833 F.2d 1560 (Fed. Cir. 1987), citing *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242 (1986). Disputes over facts that will not affect the outcome under the governing law are immaterial and do not preclude summary judgment.

#### **IV. Legal Standards for Genericness**

##### **A. General Standard for Genericness**

“A term is generic and not a mark if it refers to the class, genus or category of goods and/or services on or in connection with which it is used.” *In re Lens.com, Inc.*, 83 USPQ2d 1444, 2007 WL 1196583, \*2 (TTAB 2007), citing *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 57 USPQ2d 1807 (Fed. Cir. 2001) and *H. Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528 (Fed. Cir. 1986).

“The determination of whether a term is generic involves a two-part inquiry: First, what is the category or class of the goods or services at issue? Second, is the term sought to be registered understood by the relevant public primarily to refer to that category of goods or services?” *In re Lens.com, Inc.*, 83 USPQ2d 1444, 2007 WL 1196583, \*2 (TTAB 2007), citing *H. Marvin Ginn Corp., supra*.

Whether a term is generic is determined at the time the issue arises. *In re Thunderbird Products Corporation*, 406 F.2d 1389, 160 USPQ 730, 732 (CCPA 1969); *see also Buell Motorcycle Co. v. Honda Motor Co. Ltd.*, 2003 WL 21796056, \*3-4 (TTAB 2003) (non-precedential). Thus, the appropriate inquiry in this Opposition is whether “app store” is currently generic.



Once an applied-for mark is determined to be generic, registration must be denied and secondary meaning evidence proffered by the applicant is irrelevant. *In re Candy Bouquet International, Inc.*, 73 USPQ2d 1883, 2004 WL 2202265, \*7 (TTAB 2004) (“If applicant’s mark is generic, which we have found in this case, then no amount of evidence of acquired distinctiveness can establish that the mark is registrable”); *see also Weeks Dye Works, Inc. v. Valdani, Inc.*, 2010 WL 2104147, \*6 (TTAB 2010) (non-precedential) (collecting cases).

**B. The Generic Name for a Product, Followed by “Store,” Is Generic for Retail Store Services Featuring the Product**

Terms that combine the generic name of a product with the generic designator “store” or “warehouse” are generic and unregistrable for retail store services featuring the product. THE COMPUTER STORE, for example, was held generic for stores selling computers. *In re Computer Store*, 211 USPQ 72 (TTAB 1981). In that case, the applicant’s marketing materials described its services as a “store” and the Board reasoned that:

... there is no question that the word “store” in the mark “THE COMPUTER STORE” conveys the meaning of a business establishment where goods are collected and kept for retail sale ... It follows that a “Computer Store” is a retail outlet where computers and computer parts are sold and serviced.

*Id.* at 74. The Board held that THE COMPUTER STORE was generic and therefore unregistrable for the service of selling computers and for ancillary services offered at the store such as photocopying, technical support, use of a blueprint library. *Id.*

The same result was reached by the Seventh Circuit in *Mil-Mar Shoe Co. v. Shonac Corp.*, 75 F.3d 1153, 1157 (7th Cir. 1996), where SHOE WAREHOUSE was held generic for stores selling shoes. After concluding that “warehouse” was a commonly used name for a type of retail store where goods are sold “in high volume, from a relatively large store, at discount prices,” *id.* at 1159, the Court found that “‘Shoe Warehouse,’ like ‘Shoe Outlet’ or ‘Shoe Mart’ *definitely* qualifies as generic; it is the generic term for a type of retail store that sells shoes.” *Id.* at 1159-60 (footnotes omitted) (emphasis added).

The Board has followed this rule in other cases, such as *In re AEW, Inc.*, 1999 WL 285499 (TTAB 1999) (non-precedential) (DISCOUNT AUTO PARTS STORES generic for auto parts stores) and *In re Italian Store*, 2010 WL 2104134 (TTAB 2010) (non-precedential) (THE ITALIAN STORE generic for delicatessen selling Italian food).

### **C. Appropriate Evidence to Prove Genericness**

Evidence of genericness may be obtained from any competent source, including testimony, surveys, dictionaries, trade journals, newspapers, and other publications. *In re Lens.com, Inc.*, 83 USPQ2d 1444, 2007 WL 1196583 at \*2, citing *In re Northland Aluminum Products, Inc.*, 777 F.2d 1556, 227 USPQ 961 (Fed. Cir. 1985). The Board and federal courts frequently find the following sources to be relevant:

- Dictionaries are a credible source of evidence of genericness “[b]ecause generic use implies use consistent with common understanding.” *Mil-Mar*, 75 F.3d at 1158.
- “Significant use of a term by competitors in the industry has traditionally been recognized ... as indicating genericness.” *Mil-Mar*, 75 F.3d at 1159.
- Generic use by the party seeking trademark protection is relevant because “[a] kind of estoppel arises when the proponent of [a] trademark use is proven to have itself used the term before the public as a generic name.” *Colt Defense LLC v. Bushmaster Firearms, Inc.*, 486 F.3d 701, 707 (1st Cir. 2007).
- Generic use by consumers is direct evidence of genericness. See *In re Jonathan Drew, Inc. dba Drew Estate*, 2009 WL 5253035, \*4-5 (TTAB 2009) (non-precedential) (“consumer blogs, discussion groups and forums” are direct evidence of genericness).

## V. The Undisputed Facts Establish That “App Store” Is Generic for Retail Store Services Featuring “Apps”

### A. “App” Is a Generic Name for Software Applications

The Oxford English Dictionary defines “app” as “[a]n application, *esp.* an application program” and indicates that “app” has been in use since 1985. (Durrance Decl. ¶ 5, Ex. 3 at 1)

Other dictionaries confirm that “app” is a shorthand term for “application.”

- *New Oxford American Dictionary (app for Apple’s iPhone)* defines “app” as “**short for application**” and defines “**application**” as “computing: a program or piece of software written to fulfill a particular purpose of the user”
- *Merriam-Webster Online* defines “app” as “**application,**” and defines “**application**” as “a program (as a word processor or a spreadsheet) that performs one of the major tasks for which a computer is used”

(Durrance Decl. ¶¶ 5-6, Exs. 3-4)

“App” is commonly used in the trade as a generic name for software applications of the type featured at Apple’s store. Indeed, Apple advertises its App Store as having “The World’s largest collection of mobile apps,” invites users to “Download apps” and “Find more perfect apps,” and lists categories of “Apps” in a scrollable banner at the bottom of the screen (*i.e.*, “Apps for iPhone,” “Apps for Cooks,” “Apps for Work,” “Apps for Music,” etc.) as seen below:



Apple's iPhone website, November 8, 2010 (red emphasis added) (Durrance Decl. ¶ 10, Ex. 8). *See also* Apple's App Store Facebook page, which prominently displays its App Store Logo with the tagline "**Apps for iPhone iPod touch and iPad**" (Durrance Decl. ¶ 13, Ex. 11).

Like these advertisements, Apple's App Store is replete with generic uses of "app" to identify the products offered at its store, including:

- "App of the Week"
- "Apps from iPhone TV ads"
- "Great Free Apps"
- "Apps Starter Kit"
- "Buy App" button selected by users to buy apps from the store

(Durrance Decl. ¶¶ 9-10, 12; Exs. 7-8, 10); *See also* "app store" uses cited in Section V.C. and Section V.D., below, which include generic use of "app."

"App" is so well known that it has just been named the "Word of the Year" for 2010 by the American Dialect Society, a leading group of US linguists. (Durrance Decl. ¶ 24; Ex. 22)

It is beyond dispute that "app" is a generic name for software applications of the type offered at Apple's "App Store."

#### **B. "Store" Is Generic for Retail Store Services**

"Store" is a common, generic name for retail store services. *See, e.g., In re Computer Store*, 211 USPQ at 74, *In re Italian Store*, 2010 WL 2104134 at \*1, *In re AEW, Inc.*, 1999 WL 285499 (all cases where the Board found "Store" to be generic for retail store services).

Various dictionary definitions confirm the common understanding of the term "store":

- *New Oxford American Dictionary (app for Apple's iPhone)* defines "**store**" as "a retail establishment selling items to the public"
- *Dictionary.com* defines "**store**" as "an establishment where merchandise is sold, usually on a retail basis"

(Durrance Decl. ¶¶ 7-8; Exs. 5-6)

Apple denies that “store” is generic for online retail store services, averring that the term “store” refers only to brick-and-mortar establishments. (Answer ¶ 7). However, Apple relied on its online store use to establish use for retail store services (Durrance Decl. ¶ 9, Ex. 7 (Apple’s Specimen of Use)), and calls its App Store a “store” (1) in its press releases, (2) on its App Store website, and (3) in its communications to app developers, as seen below:

1. Apple Press Releases:

Apple’s press release about its App Store calls it an “applications **store**,” as seen in excerpt below:

Apple<sup>®</sup> today announced that more than two billion apps have been downloaded from its revolutionary App Store, the largest applications **store** in the world. There are now more than 85,000 apps available ...

Apple Press Release Sept. 28, 2009 (emphasis added) (Durrance Decl. ¶ 14, Ex. 12 at 1)

2. Apple’s App Store Website:

The specimens of use filed with Apple’s APP STORE trademark application show Apple’s App Store being accessed from a personal computer. Consumers go to the “Store” section of Apple’s iTunes website to select the “App Store” and are also offered the option to “Search the Store” in order to find music, apps, etc. (Durrance Decl. ¶ 9, Ex. 7)

3. Apple Communications to App Developers:

Apple’s Developer Agreement for iPhone app developers defines “App Store” as follows:

“App Store” means an electronic **store** and its storefront branded, and owned and/or controlled by Apple or an affiliate of Apple.

(Durrance Decl. ¶ 15, Ex. 13 at 10) (emphasis added)

It is beyond dispute that “store” is a generic name for retail store services, including online stores such as Apple’s App Store.

**C. “App Store” Is Widely Used in the Trade as the Name for Online Stores Featuring Apps**

“App store” is commonly used by the trade as the name for an online store featuring apps, as evidenced by numerous articles in the trade press shown in Exhibit 14 of the Durrance Declaration filed herewith. Representative examples include:

CNet.com, October 6, 2009

At last, inside the **app store** .... The Windows Marketplace for Mobile **app store**, which launched Tuesday, looks a little plain compared with other **app stores**, like the darker-themed BlackBerry App World and Google’s Android Market. But the essential elements are here, like a search bar and browsable categories.... As with other mobile **app stores**, you can view screenshots of an app and other folks’ ratings.

FierceMobileContent.com, October 13, 2010

Who will launch the next mobile **app store**? .... With Amazon making its move, Best Buy CEO Brian Dunn recently admitted the big-box electronics giant is deliberating whether to launch an **app store** of its own.... Expect the **app store** ranks to continue multiplying like rabbits, according to Gartner analyst Ray Valdez. “New people will continue to introduce **app stores**--carrier telcos, device manufacturers, e-commerce sites,” Valdez says.

PC World, November 4, 2010

So what’s Verizon’s Android **app store** really all about, and what’ll it mean for you? .... Verizon’s Android **app store** will have a few hundred apps to start, I’m told, with heavy growth expected over the months to come.

Androinica.com, October 8, 2010

A few weeks ago a rumor started that Amazon.com was going to build its own Android **app store**, just like Verizon, and that rumor has now been confirmed to be true via a document Amazon sent out to potential developers.

Androinica.com, January 8, 2010

Samsung promises new **app store**, convergence, and Digital TV Moment.

Gigaom.com, June 16, 2010

RIM’s BlackBerry Mobile App Store Revamp: Better Late Than Never... [I]mproving a mobile **app store** also helps bring developers to a platform.

(Durrance Decl. ¶ 16, Ex. 14 at 1-4, 5-6, 7-8, 9-10)

**D. “App Store” Is Widely Used in the General Press as the Name for Online Stores Featuring Apps**

“App store” is commonly used by the general press as the name for online retail stores featuring apps, including articles in FORBES, THE WALL STREET JOURNAL, THE NEW YORK TIMES, THE SAN JOSE MERCURY NEWS, and CNN.com. A recent search of Westlaw’s US ALLNEWS database found 1077 articles published since January 1, 2010 using “app store” as the generic name for retail stores featuring apps. Significantly, 80% of those articles discussed app stores other than Apple’s. (Durrance Decl. ¶¶ 1-3, Ex. 1) Examples include:

WASHINGTON POST, July 27, 2010

Most cellphone **app stores** --- iPhone, Android, BlackBerry --- are filled with apps that use your location to list free (or paid) Wifi hotspots near you.

STANDARD & POOR’S DAILY NEWS, August 3, 2010

Consumers can download the free application through several **app stores** including BlackBerry(R) App World(TM) and Android Market(TM).

INVESTOR'S BUSINESS DAILY, September 29, 2010

**App Stores** Offer Feast For Window-Shoppers Applications abundant for iPhone, BlackBerry, Android smartphones

A smart phone is anything but a mere phone nowadays. The name of the game: apps. ... When users poke around smart-phone **app stores**, they find a wide range of applications...

Google won’t be alone in providing Android **app stores**. Other companies have plans to do so...

FORBES, Nov. 2, 2010

Consumer preferences for smartphones are influenced by the availability and quality of smartphone apps. By making it easier for app developers to create new apps for Nokia’s Ovi **app store**, Nokia is trying to counter the success of competing **apps stores** such as that of Apple and Google’s Android.

WALL STREET JOURNAL, Oct. 26, 2010

Lexmark plans to open an **app store** and release specialized tools that allow developers to create apps for four of its printers, which have touchscreens and Internet connections.... Lexmark’s **app store** comes as many companies try to adopt a model honed by Apple Inc. with its iPhone and iPad devices. Introduced in 2008, Apple’s **app store** now sports a catalog of more than 300,000 apps which have been downloaded a total of more than 7 billion times.

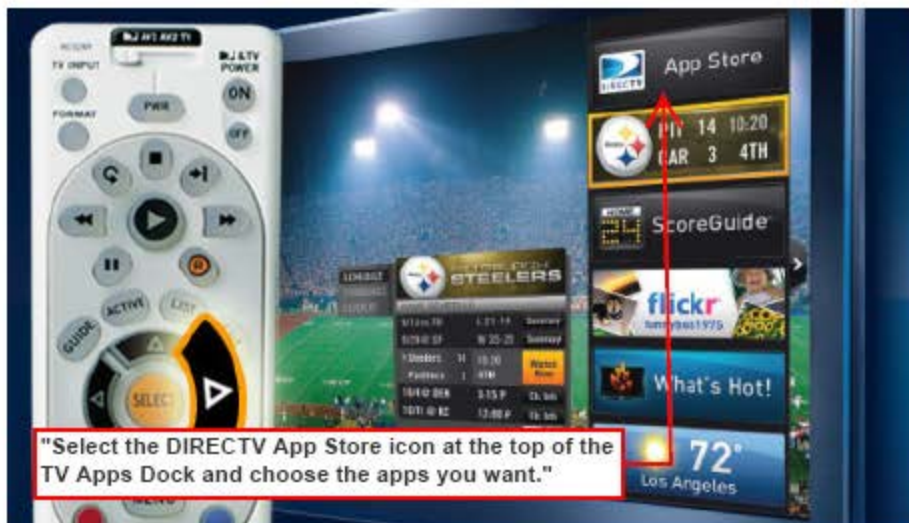
CNN.com, Apr. 27, 2010

The success of Apple’s **app store** has spurred rivals to launch their own versions. But with the exception of Android, few other **app stores** – including the BlackBerry World and the Palm **app store** – have come close to becoming a viable competitor to iPhone’s App Store.

(Durrance Decl. ¶ 17, Ex. 15 at 1, 3-5, 8, 11, 13) (emphasis added). Additional press references to “app store” are shown in Durrance Declaration Exhibit 1.

### E. Competitors Use “App Store” to Identify Their Services

“Evidence of competitors’ use of a term as the name of their goods and services is persuasive evidence that the relevant consumers perceive the term as generic.” *In re Tires, Tires, Tires, Inc.*, 94 USPQ2d 1153, 2009 WL 4075360 (TTAB 2009). “App store” is used by other retailers in the names of their stores, such as the DIRECTV App Store shown in the advertisement below:



(Durrance Decl. ¶ 11, Ex. 9)

Other retail stores that have used “App Store” in their name include:

- **AppStoreHQ**
- **Shopify App Store**
- **@metro App Store**
- **WinMoAppStore.com**



- **PocketGear.com – World’s Largest Mobile App Store**
- **AndAppStore**
- **Handmark Mobile App Store Solutions**
- **HipLogic App Store**
- **DirectTV App Store**
- **MiKandi.com – The World’s First Adult AppStore**
- **Sentrion App Store**
- **DC App Store**
- **MobiHand, Inc. – The App Store Company**
- **YoYo Games App Store**

(Durrance Decl. ¶ 19, Ex. 17)

Indeed, the arrival of app stores by Apple’s competitors was cited by the American Dialect Society as of the reasons it chose “app” as its Word of the Year for 2010, even though it was not a new word. Linguist and American Dialect Society representative Ben Zimmer noted:

App has been around for ages, but with millions of dollars of marketing muscle behind the slogan “There’s an app for that,” plus the arrival of ‘app stores’ for a wide spectrum of operating systems for phones and computers, app really exploded in the last 12 months.

(Durrance Decl. ¶ 24; Ex. 22) (emphasis added)

Microsoft would like the ability to use “app store” to fairly describe its own retail store services for apps, but Apple asserts that such uses are infringements of its rights (Answer ¶ 10) and it has sent demand letters to companies using “App Store” in their names. (Durrance Decl. ¶¶ 20-21, Exs. 18, 19)

Apple’s demands have apparently caused some competitors to change their use to “Application Store” or “App Marketplace.” *Id.* Rather than negating this strong evidence of genericness, Apple’s assertions and demands underscore the necessity of finding “app store” to be generic so that these competitors, along with Apple, can fairly describe their online stores

featuring apps as “App Stores.” The courts “have repeatedly recognized that ‘[t]o allow a producer of goods to usurp a generic term as a protectable trademark would prevent competitors from *describing* their own goods adequately.’” *Mil-Mar*, 75 F.3d at 1157.

A review of the current store names and descriptors used by major online app stores for mobile devices shows that other vendors are apparently in the same position as Microsoft – *i.e.*, their stores are described as “app stores” in the press but pending a ruling in this Opposition they cannot use “App Store” in their store names or descriptors without the possibility of claims from Apple. Many, therefore, use other terms to describe their services, as shown in the chart below:

| <b><u>Vendor</u></b> | <b><u>Store Name</u></b> | <b><u>Descriptor</u></b> | <b><u>Press Description</u></b> |
|----------------------|--------------------------|--------------------------|---------------------------------|
| Google               | Android Market           | marketplace              | app store                       |
| RIM/Blackberry       | App World                | storefront               | app store                       |
| Microsoft            | Marketplace              | virtual store for apps   | app store                       |
| Nokia                | Ovi Store                | application store        | app store                       |
| HP/Palm              | App Catalog              | application store        | app store                       |
| Samsung              | Samsung Apps             | application store        | app store                       |

(Durrance Decl. ¶¶ 16, 23; Exs. 14, 21)

The fact that other terms may also describe something does not mean that a common descriptive name is not generic. Professor McCarthy’s treatise discusses the public policy in favor of allowing competitors to use generic terms and not forcing them to use less common alternative names. MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 12.2 (discussing hypothetical trademark claim to generic name “cell phone” requiring competitors to use “wireless phone,” “portable phone,” etc. as alternate names).

**F. Apple Founder and CEO Steve Jobs Uses “App Stores” to Identify Competitors’ App Stores**

In an October 18, 2010 conference call with financial analysts, Apple’s founder and CEO, Steve Jobs, used “app stores” to identify competitors’ app stores for phones that use Google’s Android operating system:

In addition to Google’s own app marketplace, Amazon, Verizon and Vodafone have all announced that they are creating their own **app stores** for Android. There will be at least four **app stores** on Android which customers must search through to find the app they want and developers will need to work to distribute their **apps** and get paid.

(Durrance Decl. ¶ 4, Ex. 2) (emphasis added). Mr. Jobs’ comments were published by Apple and widely reported online and in the press, including in MacWorld magazine and on NPR. *Id.*

**G. Consumers’ Use of “App Store” to Identify Competitors’ Retail Stores Is Direct Evidence of Genericness**

Consumers use “app store” to refer to online app stores offered by Apple’s competitors, which is direct evidence of genericness. *See In re Jonathan Drew*, 2009 WL 5253035 at \*4-5. A review of posting on Internet blogs shows that consumers use “app store” to identify stores from Apple’s competitors, such as:

*Posted by tk772 on November 8, 2010 on engadget.com*

If someone has apps from 5 different **app stores**, how do they update all their apps? Will they have to log into each store and check for updates? Will they have to have 5 **app store** updater background tasks running? ...

*Posted by \$320AShareMakesMeGrin>8-) on November 8, 2010 on engadget.com*

If I want to open my own personal **app store**, I think it's perfectly fine. There is no set number to how many Android **app stores** should be allowed.

*Posted by pika2000 1 month ago on November 8, 2010 on engadget.com*

HTC’s Android, Moto’s Android, Samsung’s Android, etc etc) each with their own update schedule, skins, and in this case, **app store**. It’s the nature of open.

*Posted by Kevin Krause on October 11th, 2010 on phandroid.com:*

Now that it is all but confirmed that Amazon will be pitching their own Android **app store**... We have long been familiar with the idea of carrier-centric **app stores** with

Android.

*Posted by Storm14K aka Phil on October 11, 2010 on phandroid.com:*

So the thing I'm not getting about everybody wanting to open an **app store** is how they think they are going to get developers to their store.

*Posted by Hendrix on October 11, 2010 on phandroid.com:*

Yeah, I honestly don't see a need for 5000 **app stores**.

*Posted August 5, 2009 on mobilewhack.com:*

Well it looks like Samsung is too very interested in having an **app store** of its own... Now that Samsung has entered this **app store** frenzy we can't but wonder who's next. Any hints?

*Posted by Joshua Poje on April 9, 2009 on new.abanet.org*

**App stores** are the means by which Smartphone users browse, preview, and purchase software to add functionality to their Smartphones. The comparison looks at **app stores** for the iPhone, Android, Blackberry, Windows Mobile, Palm, and Nokia (Symbian)

(Durrance Decl. ¶ 18, Ex. 16) (emphasis added)

#### **H. “App Store” Is Generic for Retail Store Services Featuring Apps**

“App Store” falls squarely within the established cases holding that the generic name for a product, followed by “Store” is generic for retail store services and cannot be registered as a trademark. See Section IV. B., above. Like “Computer Store,” “Discount Auto Parts Stores,” “The Italian Store” and “Shoe Warehouse,” “App Store” is generic and cannot be appropriated by any single user.

Applying the two-part genericness inquiry from the *H. Marvin Ginn Corp.* case confirms that “app store” is generic and unregistrable:

1. *What is the category or class of the services at issue?*

Retail store services featuring apps.

2. Is the term sought to be registered understood by the relevant public primarily to refer to that category of services?

Yes. Relevant consumers understand “app store” to refer to the entire category of retail stores featuring downloadable apps, not just Apple’s “App Store.” The record amply shows that the trade, the press, consumers, competitors and even Apple’s founder and CEO Steve Jobs, all use “app store” to refer to an entire category of online stores that allow users to download apps for their mobile phones.

The fact that Apple was an early and successful entrant into the app store market does not give it the right to usurp a generic term and prevent competitors from using it. As the Board held in a similar situation:

We do not question that applicant may be a “leading maker” or perhaps a “pioneer” of “infused cigars” or even that applicant coined the term. The problem is that none of these facts overcomes the generic meaning of “infused cigars” or makes this generic term registrable.

*In re Jonathan Drew*, 2009 WL 5253035 at \*5. *See also, Weeks Dye Works*, 2010 WL 2104147 at \*6 (first user of term for new product does not make term protectable, “Generic terms, by definition incapable of indicating source, are the antithesis of trademarks, and can never attain trademark status.”); *In re Candy Bouquet*, 73 USPQ2d 1883, 2004 WL 2202265 at \*7.

Nor does the fact that alternate names may be available (*e.g.*, “app marketplace” or “app catalog”) have any bearing on the present determination – especially when “app store” is the most common and straightforward name for these services. *Weeks Dye Works*, 2010 WL 2104147 at \*6 (“the fact that another term is available for use by competitors does not transform a generic term into capable matter.”). Generic terms are in the public domain and free for all competitors to use. As with “Discount Auto Parts Stores” the combination of the generic terms “app” and “store” in APP STORE “creates no different commercial impression; the generic meaning is not lost. Thus, the composite designation is likewise generic.” *In re AEW, Inc.*, 1999 WL 285499 at \*3.

**I. Consumer Awareness or Fame of Apple’s “App Store” Cannot Negate Genericness**

Apple’s assertions of consumer notoriety and fame of its “App Store” (Answer ¶ 5) offer no help to avoid genericness. The case law recognizes that when an applicant uses a generic term as its name, the applicant’s customers and others who know of the applicant’s business will likely associate the generic term with the applicant. In *Eastern Airlines, Inc. v. New York Airlines, Inc.*, 559 F. Supp. 1270, 1275 (D.C.N.Y. 1983), the Court held that evidence that consumers associated “Shuttle” with Eastern Airlines did not mean “shuttle” was a trademark as opposed to a generic term. “All it demonstrates is that a likely response to any generic word is the name of the best known producer or manufacturer of that product.” *Id.* Such evidence is considered “*de facto* secondary meaning” that has no legal impact on the status of the generic term. A generic term can never be a trademark, no matter how much secondary meaning it acquires. *In re Candy Bouquet*, 73 USPQ2d 1883, 2004 WL 2202265, \*7; *Weeks Dye Works*, 2010 WL 2104147 at \*6.

Here, Apple was an early and successful entrant into the app store marketplace. Competitors are rushing to develop smartphone products to compete with Apple’s iPhone, and with those products to offer their own app stores. Any secondary meaning or fame Apple has in “App Store” is *de facto* secondary meaning that cannot convert the generic term “app store” into a protectable trademark. Apple cannot block competitors from using a generic name. “App store” is generic and therefore in the public domain and free for all competitors to use.

**VI. “App Store” Is Unregistrable for Apple’s Class 38 and 42 Services**

**A. Activities Merely Ancillary or Incidental to a Primary Service Are Not Separate Services for Which a Mark Can Be Registered**

Activities that are part of, or ancillary to, an applicant’s primary service are not considered separate services for which a mark can be registered. The TMEP uses the example of bagging groceries in a grocery store to explain this distinction, noting that:

[O]perating a grocery store is clearly a service. Bagging groceries for customers is not considered a separately registrable service, because this activity is normally

provided to and expected by grocery store customers, and is, therefore, merely ancillary to the **primary** service.

TMEP § 1301.01(a)(iii) (emphasis in the original).

Whether a mark is separately registrable for an activity turns on “whether the activity identified in the application is in any material way a different kind of economic activity than what any provider of that particular product or service normally provides.” TMEP § 1301.01(a)(iii), citing *In re Landmark Communications, Inc.*, 204 USPQ 692, 695 (TTAB 1979). Similarly, services that are incidental to the primary business activity, such as providing general information about an applicant’s goods or services, are not a separate service. *Id.*, citing TMEP §1301.01(b)(v).

**B. When a Term Is Generic for a Primary Service, It Is Unregistrable for Services Offered With the Primary Service**

When a term is generic for a primary service, denying registration for ancillary or incidental services takes on special import because registration for those services would restrict competitors from using the generic term to describe their own services. Thus, generic terms are unregistrable for services offered in connection with the primary service. In *In re Computer Store*, for example, the Board held that “The Computer Store” was generic for stores selling computers and also unregistrable for photocopying, technical support and blueprint library services offered at the store. 211 USPQ at 74.

Similarly, in *In re Log Cabin Homes Ltd.*, 52 USPQ2d 1206, 1999 WL 974144, \*3-4 (TTAB 1999), the Board held that because “Log Cabin Homes” was generic for homes made of logs, it was also unregistrable for architectural services and retail services offered with such homes. *Id.* at \*3; *see also In re Candy Bouquet*, 73 USPQ2d 1883, 2004 WL 2202265 (“Candy Bouquet” generic for a floral-type gift arrangement of candies and service of selling those goods); *In re A La Vieille Russie, Inc.*, 60 USPQ2d 1895, 2001 WL 862510 (TTAB 2001) (“Russianart” generic for dealership services in the field of fine art, antiques, furniture and jewelry).

**C. “App Store” Is Unregistrable for Apple’s Class 38 and 42 Services, Which Are Ancillary to and Offered With Its Retail Store Services**

Apple’s Class 38 and Class 42 services are offered in connection with and are ancillary to its Class 35 retail store services. Indeed, the specimens of use filed by Apple in its application are screenshots from the “App Store” portion of its iTunes store website.

An examination of Apple’s claimed services quickly reveals why registration of APP STORE for these services must be refused. In Class 38, Apple claims “access to global computer networks ... for transmission or receipt of data” and “electronic transmission of data via the internet.” Put in simpler terms, Apple claims (a) accessing its online store, and (b) downloading apps from its store.

A review of Apple’s Class 42 services yields the same result. Apple claims (c) “updating of computer software” for updating apps offered at its store, (d) “providing a website featuring technical information relating to computer software provided” for offering information about apps offered at its store, (e) “providing search engines ...” for allowing users to search for apps offered at the store with a “Search the Store” search tool, and (f) “providing temporary use of non-downloadable computer software to enable users to ... organize and access ... computer software programs” for allowing users to organize apps purchased at its store.

These services are clearly ancillary to Apple’s online store services – the Internet equivalent of bagging groceries at a grocery store. Apple promotes these services as features of its store, as seen in the Apple advertisement on page 8, above, promoting “Get updates fast,” “Download apps with a tap” and “Find more key apps” as key features of its App Store. These services are typical, if not required, offerings for Apple and its competitors. Indeed, Microsoft, Google, Blackberry/RIM, Palm, Verizon, and Nokia all offer these services at their app stores. (Durrance Decl. ¶ 22, Ex. 21). Insofar as “app store” is generic for retail store services featuring apps, Apple should not be entitled to register it for ancillary services that are included within the app store service.



## VII. Conclusion

Apple seeks to exclusively appropriate the phrase “App Store” for use with its own store offering apps. The undisputed evidence shows that “app store” is a generic name for a store offering apps. Under established law, APP STORE is unregistrable for retail store services featuring apps and for ancillary and other services offered by Apple at its app store. Apple cannot leverage its early success to prevent competitors from using this generic term for their own app stores. Accordingly, Microsoft’s motion should be granted and Apple’s application refused.

DATED this 10<sup>th</sup> day of January, 2011.

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