Appeal No. 24-1041

IN THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

iFIT Inc.,

Appellant

v.

Katherine K. Vidal, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office,

Intervenor.

Appeal from the U.S. Patent and Trademark Office Trademark Trial and Appeal Board Opposition No. 91264855

APPELLANT'S RESPONSE IN OPPOSITION TO INTERVENOR'S MOTION TO WAIVE RULE 27(F) AND TO REMAND

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CERTIFICATE OF INTEREST

The undersigned counsel certifies the following:

1. The full name of every party represented by the undersigned is:

iFIT Inc.

2. For each entity listed above, the name of the real party in interest if the party listed above is not the real party in interest:

N/A

3. All parent companies and any publicly held companies that own 10 percent or more of the stock of the party represented by me are:

iFIT Health & Fitness, Inc. is the parent company of iFIT Inc.

4. The names of all law firms, partners, and associates that (a) appeared for the party now represented by the undersigned in the originating agency or (b) are expected to appear in this court (and who have not entered an appearance in this case) are:

None

5. Other than the originating case(s) for this case, are there related or prior cases that meet the criteria under Fed. Cir. R. 47.5(a)?

No

6. Any information required under Fed.R.App.P. 26.1(b) (organizational victims in criminal cases) and 26.1(c) (bankruptcy case debtors and trustees):

None

DATED: April 8, 2024	
/s/ Matthew A. Barlow	

RESPONSE

Intervenor, the Director of the United States Patent and Trademark Office ("the Director"), moves to waive Federal Circuit Rule 27(f) and to remand this case to the agency. Appellant iFIT Inc. files this response in opposition.

BACKGROUND

In its opening brief, iFIT demonstrated that the TTAB did not have substantial evidence to support its findings on three of the *DuPont* factors and that the TTAB therefore accorded an incorrect weight to those three factors. iFIT further demonstrated that the TTAB accorded an incorrect weight to a fourth DuPont factor. Specifically, (1) as to the strength of iFIT's mark, the TTAB erroneously found that the iFIT Mark is not famous and therefore only accorded the strength of the mark weight in favor of a likelihood of confusion rather than dominating or at least heavy weight in favor of a likelihood of confusion (Appellant's Bf., Dkt. 21, pp. 21-22, 24-25, 26-34, 55); (2) as to the relatedness of the parties' goods and services, the TTAB erroneously found that the parties' goods and services are unrelated and therefore erroneously concluded that this factor weighed heavily against a finding of likelihood of confusion instead of in favor of a likelihood of confusion (Id., pp. 22-23, 24, 34-50, 56); (3) as to the overlap of the parties' customers, the TTAB erroneously found that the parties' customers do not overlap and therefore erroneously concluded that this factor

weighed *heavily against* a finding of likelihood of confusion instead of in *favor* of a likelihood of confusion (*Id.*, pp. 23-24, 50-53, 56); and (4) as to the similarity of the marks, the TTAB properly found that the parties' marks are "highly similar" in "appearance, sound, connotation, and commercial impression" and that the marks are "similar" overall, but then erroneously weighed this factor only in favor of a likelihood of confusion (*Id.*, pp. 24, 54-55, 56).

The Director now moves to waive Federal Circuit Rule 27(f) and to remand the case to the agency. Specifically, the Director asks for remand because "[t]he TTAB's decision does not provide complete factual findings as to whether the personal training services in the Appellant's registrations and the goods in ERB's application are related under the second *DuPont* factor." (Motion at 3.) The Director also asks for remand because "the TTAB did not have the benefit of this Court's recent decision in *Naterra* [*Int'l*, *Inc. v. Bensalem*, 92 F.4th 1113, 1119 (Fed. Cir. 2024)], which held that the TTAB erred in not weighing the similarity of the marks heavily in favor of a conclusion of a likelihood of confusion when it found that the marks were 'more similar than dissimilar.'" (Motion at 3.) At one point, the Director also seems to agree that the TTAB did not adequately address "the overlap in the class of consumers." (Motion at 2.)

Thus, the Director asks for remand based on its "substantial and legitimate' concern" about the TTAB's analysis of three of the four *DuPont* factors addressed in iFIT's opening brief. (Motion at 4.) Notably, however, the Director asks for a remand without addressing the TTAB's analysis of the first of the four DuPont factors addressed in iFIT's opening brief, the strength-of-the-mark factor, i.e., whether iFIT's mark is famous. (Motion at 1-6.) And, perhaps even more significantly, as Appellant understands the Director's motion, the Director asks for a remand "without confessing error" (Motion at 4), even for the three *DuPont* factors about which the Director has acknowledged concerns. Appellant iFIT opposes the Director's motion primarily because of the scope of the remand it appears to propose, i.e., a remand without any ruling from this Court and without any binding confession from the Director that the TTAB committed any errors on the points raised in the opening brief.

ARGUMENT

Federal Circuit Rule 27(f) states: "A motion...to remand should be made as soon as the grounds for the motion are known. *After the appellant or petitioner has filed its principal brief, the argument supporting...remand should be made in the response brief* of the appellee or respondent." The Director asks this Court to waive Rule 27(f) so that it can make its argument for remand in this motion rather than in a response brief. But because the Director's motion does not address

all four of the *DuPont* factors addressed in iFIT's opening brief, the Director's request to allow it to avoid making the argument for remand in its response brief is also a request to allow it to avoid addressing all four of those factors—or the ultimate conclusion on likelihood of confusion. And that, in turn, would allow the Director to avoid this Court's scrutiny of the TTAB's analysis of all four of those factors or of the TTAB's ultimate conclusion. Perhaps more importantly, the remand proposed in the Director's motion, as Appellant understands it, would result in a remand without any ruling that the TTAB made *any* errors and without any confession by the Director that the TTAB made *any* errors. Without any binding mandate, such a remand would allow the TTAB to re-make the same errors that it has already made. iFIT objects to such a rudderless remand.

iFIT explains below how the Director's proposed remand, as Appellant understands it, would be unsatisfactory in at least three ways.

I. The Director's Proposed Remand Should Be Rejected Because There Would Be No Confession of Error And No Ruling from This Court That There Was Error in the Board's Weight for the Similarity of the Marks

First, the Director's proposed remand should be rejected because there would be no confession of error and no ruling from this Court that there was error in the weight given by the Board for the similarity of the marks. With respect to the similarity of the marks, the Director states that it is "not clear whether the Board gave the appropriate weight to this similarity in reaching its ultimate determination

on the likelihood of confusion" (Motion at 3) and it is "not possible to discern whether the Board accorded [this] factor appropriate weight" (Motion at 4). But it is possible to discern and it is clear that the Board did not accord this factor its appropriate weight. As Appellant's opening brief explains, this Court's decisions in Naterra Int'l, Inc. v. Bensalem, 92 F.4th 1113, 1119 (Fed. Cir. 2024) and In re Detroit Athletic Co., 903 F.3d 1297, 1304 (Fed. Cir. 2018) make clear that a similarity of the marks as exists here must be weighed "heavily" in favor of a likelihood of confusion, and a plain reading of the Board's decision makes clear that the Board did not do that here. (Appellant's Bf., Dkt. 21, pp. 24, 54-55, 56.) Instead, the Board expressly stated: "This factor also weighs in favor of finding a likelihood of confusion." (Appx20.) Therefore, on this point, Appellant deserves a ruling by this Court that there was error or at least a confession of error from the Director as part of any remand.

The Director states that the decision in *Naterra* constitutes "previously unavailable authority" and suggests that the decision is "a new legal decision" and "an intervening event" that "may affect the validity of the agency action." (Motion at 4, 5 (quoting *SKF USA Inc. v. United States*, 254 F.3d 1022, 1028 (Fed. Cir. 2001).) It is true that this Court has explained that an agency "may seek a remand because of intervening events outside of the agency's control," such as "a new legal decision or the passage of new legislation" and that "[a] remand is

generally required if the intervening event may affect the validity of the agency action." SKF, 254 F.3d at 1028. But here, there was no intervening event "outside" of the agency's control." It is true that Naterra had not been decided when the TTAB rendered its decision, but Naterra based its decision about the weight to be given a similarity of marks on this Court's earlier decision in *In re Detroit Athletic* Co., 903 F.3d 1297 (Fed. Cir. 2018), which clearly had been decided when the TTAB rendered its decision. Following this Court's *Detroit Athletic* decision was therefore well within the TTAB's control, and therefore *Naterra* is not an intervening event "outside of the agency's control" that would generally require a remand. In any event, iFIT is not so much concerned about a remand on this particular point as it is with the scope of any remand. As stated above, Appellant deserves a ruling by this Court that there was error on this point or at least a confession of error from the Director on this point as part of any remand. Naterra does not preclude such a ruling or such a confession of error but rather mandates it.

II. The Director's Proposed Remand Should Be Rejected Because There Would Be No Confession of Error And No Ruling from This Court That There Was Error in the Board's Findings and Weights for the Relatedness of the Parties' Goods and Services or for Overlap in the Parties' Customers

Second, the Director's proposed remand should be rejected because there would be no confession of error and no ruling from this Court that there was error in the Board's finding and weights for the relatedness of the parties' goods and

services or for overlap in the parties' customers. With respect to the relatedness of the parties' goods and services and the overlap of the parties' customers, the Director states: "Appellant points out that the TTAB...did not adequately evaluate the relatedness or the overlap in the class of consumers for ERB's goods and iFIT's registered services." (Motion at 2.) The Director further states that "[t]he TTAB's decision does not provide complete factual findings as to whether the personal training services in Appellant's registrations and the goods in ERB's application are related." (Motion at 3.)

Appellant agrees with the Director's first statement that "the TTAB...did not adequately evaluate the relatedness or the overlap in the class of consumers for ERB's goods and iFIT's registered services." (Motion at 2.) But the Director's second characterization of the TTAB's decision makes it sound as if the TTAB did not make a decision as to whether the personal training services in Appellant's registrations are related to the goods in ERB's application. In fact, the TTAB's decision expressly states: "[S]ome racecar drivers and chemists also use safety eyewear, but that does not mean that safety eyewear is related to racecars or ammonia. There is even less reason to believe that fitness training services, whether offered by a personal trainer or an app, would emanate from the same source as safety glasses." (Appx26.) That is an express finding that fitness training services (as recited in Appellant's registration) are not related to safety glasses (the

goods recited in ERB's registration). To say that the TTAB's decision "does not provide complete factual findings" on the issue is misleading. A more accurate characterization is that the TTAB made a factual finding on the issue, but that factual finding is not supported—for the reasons set forth in Appellant's opening brief. (Appellant's Bf., Dkt. 21, pp. 22-23, 34-50.) As a result, Appellant deserves a ruling by this Court that there was error on this point or at least a confession of error from the Director on this point as part of any remand. Instead, as Appellant understands the Director's motion, the Director seeks a remand without any further guidance from this Court or any confession of error.

III. The Director's Proposed Remand Should Be Rejected Because There Would Be No Resolution of the Issues About the Strength of iFIT's Mark, *i.e.*, the Fame of iFIT's Mark, and No Resolution of Other Potentially Dispositive Issues

Finally, the Director's proposed remand should be rejected because there would be no resolution of the issues raised in Appellant's opening brief about the strength of iFIT's mark, *i.e.*, the fame of iFIT's mark, and no resolution of other potentially dispositive issues. The Director's motion does not even acknowledge the issues raised in Appellant's opening brief about the fame of iFIT's mark. As set forth in Appellant's opening brief, there is undisputed evidence that the iFIT Mark is famous, and the Board's rationale for discounting that evidence was not reasonable. (Appellant's Bf., Dkt. 21, pp. 21-22, 26-34.) The law is also clear that

the fame of a famous mark should be given "dominant" weight in the likelihood of confusion analysis. (Appellant's Bf., Dkt. 21, p. 55.)

Apparently, the Director is not prepared to concede any concerns or error on the issue of fame, and therefore under the Director's proposal, the Board would be free on remand to restate exactly what it has already said on this *DuPont* factor. Thus, the Director is proposing a "piecemeal remand," in which the Board would be asked to re-think its findings on only two of the *DuPont* factors and to re-think its weight on only a third *DuPont* factor (without any binding guidance from this Court or any confession of error on either of those three issues). If the Board then concludes that there is no likelihood of confusion on remand based on its rethinking of only those factors, iFIT would be forced to appeal and then brief *again* the potentially dispositive fame issues that it has already briefed.

A better approach would be to address *all* of the issues on appeal now and then only remand if necessary. In other words, it would be much more effective and efficient to get everyone's views about *all* of the *DuPont* factors on appeal (including this Court's views on the fame issue) and *then* remand to the Board if necessary, with binding rulings on all the points that need correcting. The Director's proposed remand ignores the possibility that reversal may be the appropriate disposition rather than vacatur and remand. Not only could the fame issue be dispositive because fame is a "dominant" factor, but a reversal on the three

DuPont factors addressed in the Director's motion could also be dispositive. Thus,

the better approach is to deny the Director's motion and require the Director to file

a response brief, as Federal Circuit Rule 27(f) contemplates. In that response brief,

the Director would be able to (1) make all of the concessions made in this motion,

(2) address all of the DuPont factors (including the fame issue), and (3) argue for

vacatur and remand. This Court would then be able to assess all of the issues on

appeal and would then be able to assess whether vacatur and remand is the

appropriate disposition or whether reversal is the appropriate disposition.

CONCLUSION

For all of the foregoing reasons, the Director's motion should be denied.

Respectfully submitted,

/s/ Matthew A. Barlow

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DATED: April 8, 2024

- 10 -

CERTIFICATE OF COMPLIANCE

I certify that according to the word-processing system used in preparing it,

the foregoing APPELLANT'S RESPONSE IN OPPOSITION TO

INTERVENOR'S MOTION TO WAIVE RULE 27(F) AND TO REMAND is

2,443 words in length, excluding those portions exempted by Fed.R.App.P.

27(d)(2), Fed.R.App.P. 32(f), and Fed.Cir.R. 32(b)(2), and therefore complies with

the 5,200-word type-volume limitation set forth in Fed.R.App.P. 27(d)(2)(A).

DATED: April 8, 2024

/s/ Matthew A. Barlow

MATTHEW A. BARLOW