2024-1041

United States Court of Appeals
for the Federal Circuit

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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 United States Patent and Trademark Office,
Trademark Trial and Appeal Board, Opposition No. 91264855

Motion of Intervenor, Director of the United States Patent and Trademark Office, to Waive Rule 27(f) and Remand

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Intervenor, Director of the United States Patent and Trademark Office, respectfully moves to waive Federal Circuit Rule 27(f) and to remand this case to the USPTO for further proceedings before the agency. Counsel for Appellant iFIT, Inc. indicated that Appellant does not consent, but rather reserves its right to oppose this motion.

This appeal arises from a trademark opposition proceeding before the Trademark Trial and Appeal Board ("TTAB" or "Board") where Appellant opposed registration of ERB Industries, Inc.'s application to register the mark I-FIT FLEX for

"industrial protective eyewear [and] safety eyewear." The ground for opposition was that ERB's mark was likely to cause confusion under 15 U.S.C. § 1052(d) with Appellant's previously registered mark IFIT (and variations thereof) for various exercise and fitness-related goods and services, including "[f]itness and exercise machines," and "educational services, namely personal training in health and fitness." *See* Appellant's Corrected Opening Brief ("Br."), Dkt. No. 22, at 3-5, 8; Appx1-30.

The Board dismissed the opposition, finding no likelihood of confusion after considering the parties' arguments and evidence bearing on the factors set forth in *In re E. I. DuPont DeNemours & Co.*, 476 F.2d 1357, 1361 (C.C.P.A. 1973) (the "*DuPont* factors"). Appx30. Appellant appealed. After Appellee ERB failed to appear, the Court invited the Director to intervene (Dkt. No. 12), and the Director intervened on February 20, 2024 (Dkt. No. 13). Appellant filed its opening brief on February 26, 2024. The Director's brief is currently due on April 8, 2024.

Appellant's opening brief advances a number of arguments directed to alleged errors and deficiencies in the Board's factual findings and weighing of the likelihood-of-confusion factors. Specifically, Appellant points out that the TTAB found that the parties' *goods* were unrelated and the overlap in classes of consumers small, but did not adequately evaluate the relatedness or the overlap in the class of consumers for ERB's goods and iFIT's registered *services*. Br. at 38-44, 50-51; Appx25-26; Appx28. Appellant also argues that the TTAB erred by not according the appropriate

weight to its finding that the marks are highly similar when assessing the likelihood of confusion, citing to a February 15, 2024, decision of this Court, *Naterra International, Inc. v. Bensalem*, 92 F.4th 1113, 1119 (Fed. Cir. 2024). Br. at 54-55; Appx18-20.

In view of the arguments raised in Appellant's opening brief to this Court, including citation to recent precedent by this Court after the appeal was docketed, the Director respectfully requests that this Court waive Rule 27(f) and remand the case to the agency for the TTAB to undertake further proceedings. The 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 under the second *DuPont* factor. Further, the TTAB did not have the benefit of this Court's recent decision in *Naterra*, 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." 92 F.4th at 1119. Although *Naterra* does not mean that the weight of the factors when similar marks are involved must result in a likelihood-of-confusion conclusion, the decision on review here, despite recognizing the high similarity of the marks, is not clear whether the Board gave the appropriate weight to this similarity in reaching its ultimate determination on the likelihood of confusion.

Accordingly, the Director requests that the Court remand this case to the agency for further proceedings before the TTAB. As this Court has explained, an "agency may seek a remand because of intervening events outside of the agency's control, for example, a new legal decision" and, even in the absence of an intervening event, an "agency may request a remand (without confessing error) in order to reconsider its previous position." *SKF USA Inc. v. United States*, 254 F.3d 1022, 1028-29 (Fed. Cir. 2001). "A remand is generally required if the intervening event may affect the validity of the agency action," and "a remand is usually appropriate" if the agency expresses a "substantial and legitimate" concern about the earlier decision. *Id.* Here, without further explanation from the Board, the Court cannot conduct proper review of the Board's fact finding on the second *DuPont* factor, and it is not possible to discern whether the Board accorded the first *DuPont* factor appropriate weight. Accordingly, it is appropriate for the Court to remand to the Board to undertake the fact finding described above and reconsider its likelihood of confusion determination in the first instance. *See, e.g.*, *Naterra*, 92 F.4th at 1117, 1118; *Juice Generation, Inc. v. GS Enters. LLC*, 794. F3d. 1334, 1341 (Fed. Cir. 2015) (determining that "a remand is needed for the Board" to consider the marks as a whole and evidence of third-party use).

Remanding the case now will prevent the Court, Appellant, and the USPTO from needlessly expending additional time and resources on this appeal. While the

USPTO is cognizant that Appellant has already expended the time, money, and effort to file its opening brief, the brief cited previously unavailable authority and identified factual deficiencies in the Board's decision, which taken together warrant a remand. Indeed, consistent with *Naterra*, a remand to the agency is warranted here to undertake the above-described factual findings and analysis necessary for this Court's review. *See Naterra*, 92 F.4th at 1119 (remanding to the agency to consider, *inter alia*, the weight to be accorded to the similarity of the marks); *see also In re Hodges*, 882 F.3d 1107, 1117 (Fed. Cir. 2018) (explaining that when faced with deficient factual findings, the Court consistently vacates and remands for further proceedings (citing cases)). Upon remand, the Board will take further action as quickly as practicable.

Such remands, even when opposed and even when the opening brief has been filed, have been granted upon the USPTO's request in similar situations. *In re Xencor*, No. 23-2048, Dkt. No. 35 (Fed. Cir. Jan. 23, 2024) (waiving Rule 27(f) and ordering a remand); *Marin Partners v. Heaven Hill Distilleries, Inc.*, No. 23-1624, Dkt. No. 27 (Fed. Cir. Aug. 17, 2023); *In re Koninklijke Philips N.V.*, No. 19-1162, Dkt. No. 18 (Fed. Cir. Apr. 24, 2019); *In re Bursey*, No. 16-2675, Dkt. No. 21 (Fed. Cir. Apr. 28, 2017); *In re Kayyali*, No. 15-1268, Dkt. No. 40 (Fed. Cir. May 15, 2015); *In re DiStefano*, 562 F. App'x 984 (Fed. Cir. 2014); *In re Shield*, No. 13-

1562, Dkt. No. 17 (Fed. Cir. Apr. 16, 2014); *In re Motorola Mobility LLC*, No. 12-1470, Dkt. No. 26 (Fed. Cir. Mar. 5, 2013).

In sum, the Director respectfully requests that the Court remand this appeal to permit further proceedings before the TTAB. Because this motion "if granted, would terminate [the] appeal, … the briefing schedule is suspended." Fed. Cir. R. 31(c).

Dated: March 29, 2024

Respectfully submitted,

/s/ Sarah E. Craven
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CERTIFICATE OF COMPLIANCE

I certify pursuant to FRAP 32(a)(7) that the foregoing Motion of the Director to Waive Rule 27(f) and Remand complies with the type volume limitation. The total number of words in the motion is 1,135 as measured by the word-processing software used to prepare this motion.

Dated: March 29, 2024

Respectfully submitted,

/s/ Sarah E. Craven

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