

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant : Nestio, Inc.  
Serial No. : 88/379279  
Date Filed : April 10, 2019  
Mark : FUNNEL  
Class No. : 9, 42  
Examiner : Andrea B. Cornwell  
Law Office : 115

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**RESPONSE**

Applicant submits the following remarks and amendments in response to the August 20, 2019 Office Action.


**Identification of Goods and Services**

Please amend the identification of goods and services to the following language:

- Class 9: Downloadable software in the field of real estate properties and real estate transactions, namely, software for searching, organizing, managing, monitoring, distributing, and analyzing real estate property information, real estate content, and real estate transactions; downloadable real estate software featuring searching, organizing, managing, monitoring, and analyzing real estate property information, real estate content, and real estate transactions
- Class 42: Providing online non-downloadable software in the field of real estate properties and real estate transactions, namely, software for searching, organizing, managing, monitoring, distributing, and analyzing real estate property information, real estate content, and real estate transactions; software as a service (SAAS) services featuring real estate software for searching, organizing, managing, monitoring, and analyzing real estate property information, real estate content, and real estate transactions

## REMARKS

### Section 2(d) Refusal – Likelihood of Confusion



The Examining Attorney has initially denied registration of Applicant's FUNNEL mark for "downloadable and non-downloadable software in the field of real estate properties, listings, and transactions; real estate software featuring searching, organizing, managing, monitoring, and analyzing real estate property information, listings, content, and transactions," contending that there is a likelihood of confusion under Section 2(d) of the Trademark Act with the registered marks  FUNNEL (Registration No. 4904096) for "computer programs for creating and disseminating online advertising," owned by Funnel AB and DATAFUNNEL (Registration No. 5814801) for "computer software for use in data management, namely, extraction, processing, mapping, formatting, integration and transfer of data between data repositories and computer systems; downloadable multimedia file containing audio and video featuring presentations, programs, whitepapers and e-books relating to data management, computer security, information technology and cloud and network technology" and "computer programming services; cloud computing services featuring software for use in data management, namely, extraction, processing, mapping, formatting, integration and transfer of data between data repositories and computer systems," owned by Syncsort Incorporated. Notably, the Examining Attorney has the burden of proving that confusion between Applicant's mark and the cited marks is likely, not merely possible. *See In re Giovanni Food Co.*, 97 U.S.P.Q.2d 1990, 1991 (T.T.A.B. 2011). Applicant respectfully submits that a § 2(d) refusal would be improper in light of: (a) the crowded field of FUNNEL-formative marks; (b) the differences between FUNNEL and DATAFUNNEL's appearance, sound, connotation, and commercial impression; (c) the parties' dissimilar goods, services, and trade channels; and (d) the sophistication and selectiveness of the relevant consumers.

#### **A. The Trademark Office Has Previously Allowed A Crowded Field Of Closely Similar Marks to Coexist on the Trademark Register.**


Evidence of third party usage and registration of similar marks in connection with similar goods and services is admissible and relevant to show that a mark is relatively weak and entitled to a narrow scope of protection. *See Jack Wolfskin Ausrüstung Für Draussen GmbH v. New Millennium Sports, S.L.U.*, 797 F.3d 1363, 1373-74 (Fed. Cir. 2015) (evidence of third-party use may be "powerful on its face" and can show that "customers have been educated to distinguish between different marks on the basis of minute distinctions," even without evidence of the extent

of use). The scope of protection afforded to such marks is limited because, by virtue of its frequent usage, the mark does little to distinguish the products or services from those of others. *See, e.g., Puma-Sportschuhfabriken Rudolf Dassler K.G. v. Superga S.p.A.*, 204 U.S.P.Q. 688, 691 (T.T.A.B. 1979) (where plaintiff adopts a commonly used mark, "his competitors may come closer to his mark without violating his rights than would be the case with a strong mark"). Furthermore, even without proof of use, evidence that a mark or element of a mark is commonly registered by third parties may indicate that the common element has some significance that undermines its conceptual strength as an indicator of a single source. *See Jack Wolfskin*, 797 F.3d at 1373-74.

In addition to the cited marks, a search of the USPTO TESS database and Google searches revealed numerous registrations for and uses of FUNNEL-containing marks for data management, advertising, and/or marketing and related software. *See Exhibit A* (containing printouts from the USPTO TESS database for these registrations); *Exhibit B* (containing evidence of third-party usage of such marks). Applicant requests that the Examining Attorney consider evidence of a sampling of these registrations, including the following marks:

Mark	Registration No.	Identification of Goods and/or Services	Owner
 FunnelWise	5417249	Class 9: Computer software for marketing and sales metrics determination and marketing and sales process implementation  Class 42: Design, development, implementation, installation, and maintenance of computer software for use in marketing and sales metrics tracking and marketing and sales process implementation	100INSIGHTS, Inc.
 FUNNEL PAGES	5414065	Class 9: Business software for webpage building, marketing, and business transactions	Real Strategic Inc.
FUNNELCAKE	5337935	Class 42: Software as a service (SAAS) services featuring software for use in data storage and statistical analysis in the field of sales and marketing analytics	Funnelcake Inc.

CLICKFUNNELS	4993984	Class 42: Software as a services (SAAS) services, namely, a webpage builder which allow individuals and business to create web pages and software to create web pages to assist in the tracking and generating of sales	Etison, LLC
FUNNELENVY	5057479	Class 42: Software as a service (SAAS) services featuring software for use in sales, advertising, and marketing; software as a service (SAAS) services featuring software for collecting and integrating consumer data and for creating and deploying personalized digital marketing campaigns to target consumers based on their history, preferences and behaviors; software as a service (SAAS) services featuring software for collecting and integrating data about advertising and marketing campaigns, for creating, tracking, monitoring, measuring and analyzing the performance and effectiveness of advertising and marketing campaigns, for creating, tracking, monitoring, measuring and analyzing customer acquisition, conversion, and retention strategies, and for creating, tracking, monitoring, measuring and analyzing conversion rate optimization; software as a service (SAAS) services featuring software that provides integrated management intelligence by combining information from various databases and presenting it in an easy-to-understand user interface and	Celerius Group, Inc.

		providing applications, tools, and services for the management and presentation of such information; software as a service (SAAS) services featuring software for creating, testing, and optimizing websites and webpages	
DBFUNNEL	4862161	Class 9: Computer software development tools; computer software for application and database integration	Hamway Software Solutions
WIDERFUNNEL	4457313	Class 35: Advertising analysis; advertising services in the field of web traffic optimization, web design, business and market research and web analytics by way of the internet, direct mail promotion, direct electronic mail promotion, website promotion; business consultancy services, business strategic planning and business advisory services in the field of web analytics, web traffic optimization, web design, business and market research and web analytics, direct mail promotion, direct electronic mail promotion, website promotion	Widerfunnel Marketing Inc.
FUNNELBACK	5398830	Class 9: Computer software for searching, compiling, indexing and organising information on computer systems, computer networks, web sites, databases and other information resources	Funnelback Pty Ltd
	5895009	Class 42: Consulting services in the field of software as a service (SAAS); Software as a service (SAAS) services featuring software for mapping and analyzing digital marketing campaigns	Build Your Own Dream, Inc.

PINFUNNELS	5762908	Class 9: Instructional software for social media marketing	Marketing Solved
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The ten registrations above establish the existence of a crowded field, and, accordingly, the cited marks and all marks containing the term FUNNEL must be narrowly construed. Along these lines, consumers are unlikely to be confused between any two of the crowd since they have been conditioned to look at other elements in the marks as a means of distinguishing the source of goods or services in the field. *See In re Broadway Chicken, Inc.*, 38 U.S.P.Q.2d 1559, 1566 (T.T.A.B. 1996). Thus, given the crowded field and prevalence of the overlapping portion, the differences between FUNNEL and DATAFUNNEL; dissimilarity of the parties’ respective goods, services, and trade channels; and the sophistication and selectiveness of the relevant consumers are sufficient to avoid a likelihood of confusion.

Additionally, Applicant is mindful of the oft-cited admonition that decisions of other Examining Attorneys are not binding. Nevertheless, the Federal Circuit has stated that it “encourages the PTO to achieve a uniform standard for assessing registrability of marks,” notwithstanding the rule that the Trademark Office is not bound by prior registrations when conducting trademark examinations. *See In re Nett Designs, Inc.*, 236 F.3d 1339, 1342 (Fed. Cir. 2001). A refusal to approve Applicant's application in the present case would be contradictory and inconsistent with prior determinations by the USPTO.

**B. The Differences Between FUNNEL and DATAFUNNEL Are Sufficient to Preclude a Likelihood of Confusion.**

In evaluating the likelihood of confusion, marks should be compared in their entireties for similarities in appearance, sound, connotation, and commercial impression. *See Packard Press, Inc. v. Hewlett-Packard Co.*, 227 F.3d 1352, 1357 (Fed. Cir. 2000). Here, the cited DATAFUNNEL mark is significantly longer than Applicant’s mark, for, in contrast to the cited mark, FUNNEL comprises Applicant’s entire mark. Taking into account the limited scope of protection that should be afforded to the cited mark, these features and the other differences between the marks are sufficient to avoid consumer confusion.

Applicant’s mark consists of a single word, FUNNEL, and contains only six letters. In contrast, DATAFUNNEL is a clear hybrid of two words: DATA and FUNNEL and therefore has two separate components, creating a ten-letter mark. The overlapping portion is only one-half of Syncsort’s mark, while Applicant’s mark is solely comprised of FUNNEL without any additional

wording. Overall, these features in Syncsort's mark create a visual impression that is wholly distinct from Applicant's mark.

Moreover, Applicant recognizes that descriptive portions of a mark receive less weight in the likelihood of confusion analysis. Nonetheless, "it would be impermissible to ignore the [words] outright." *In re Detroit Athletic Co.*, 903 F.3d 1297, 1305 (Fed. Cir. 2018). The Examining Attorney has stated that DATA is descriptive or generic of Syncsort's goods and services and, accordingly, DATA does little to distinguish the marks. Yet, as demonstrated above, there is a crowded field of FUNNEL-containing marks for data management, advertising, and/or marketing and related software. Therefore, FUNNEL should not play a particularly large role relative to DATA in determining the similarity or dissimilarity between the marks.

The fact that Syncsort's mark *begins* with DATA cuts against a finding of confusing similarity. Consumers are generally more inclined to focus on the first portion of a trademark when making purchasing decisions. *See Palm Bay Imps., Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772*, 396 F.3d 1369, 1372 (Fed. Cir. 2005); *Presto Prods., Inc. v. Nice-Pak Prods., Inc.*, 9 U.S.P.Q.2d 1895, 1897 (T.T.A.B. 1988) ("it is often the first part of a mark which is most likely to be impressed upon the mind of a purchaser and remembered" when making purchasing decisions). Here, while Syncsort's mark starts with DATA, Applicant's mark solely contains FUNNEL. The marks' initial portions, which create the largest impressions with consumers, are thus completely dissimilar. Because FUNNEL is the last portion of Syncsort's mark, consumers are unlikely to pay a significant amount of attention to the FUNNEL portion. These differences underscore why confusion between the marks is highly unlikely.

With respect to the mark's connotations, Syncsort's inclusion of DATA again plays a critical role in distinguishing the marks. Syncsort's addition of DATA immediately informs consumers about the nature of the underlying goods and services, which encompass "computer software for use in data management" and "cloud computing services featuring software for use in data management." As the leading term, the DATA element is prominently emphasized such that the mark conjures ideas of technical goods and services for data movement and storage. However, when encountering Applicant's mark, consumers could not possibly make any similar inferences about Applicant's goods and services. Syncsort's inclusion of DATA would immediately strike consumers as relating to information technology (IT), steering consumers away from anything associated with the real estate industry. For these reasons, the presence of DATA would bring consumers into a different category of thought. DATA has a powerful

impact on consumers' perception of the mark relative to the real estate industry, for they would not expect a mark for real estate products and services to begin with DATA. As a result, Applicant and Syncsort's marks yield entirely different commercial impressions.

The cited mark is also distinguishable from Applicant's mark in terms of sound. FUNNEL is a two-syllable mark that begins with a "fən" sound. Contrastingly, DATAFUNNEL is a four-syllable mark that begins with a "dā" sound. While "fən" and "nə-l" are the only sounds in Applicant's mark, Syncsort's contains two additional sound elements, creating utterly distinct sounds. Hence, the aural differences between the marks cut against a finding of likelihood of confusion.

### **C. The Parties' Dissimilar Goods, Services, and Trade Channels Obviate a Likelihood of Confusion.**

The fact that the parties' goods, services, and trade channels differ should be dispositive and eliminates any concern about potential likelihood of confusion. It is well-established that differences in the parties' goods and services alone may be sufficient to prevent a likelihood of confusion. When determining whether a likelihood of confusion exists under § 2(d), "confusion is related not to the nature of the mark but to its effect when applied to the goods [or services] of the Applicant. [Therefore,] the only relevant application is made in the marketplace." *In re E.I. duPont de Nemours & Co.*, 476 F.2d 1357, 1360 (C.C.P.A. 1973). When determining whether a likelihood of confusion exists under § 2(d), if the goods and services in question "are not related . . . in such a way that they would be encountered by the same persons in situations that would create the incorrect assumption that they originate from the same source, then, even if the marks are identical, confusion is not likely." T.M.E.P. § 1207.01(a)(i).

"Moreover, there is no 'per se' rule mandating that likelihood of confusion is to be found in all cases where the goods or services in question involve computer software and/or hardware." *Info. Res. Inc. v. X\*Press Info. Servs.*, 6 U.S.P.Q.2d 1034, 1038 (T.T.A.B. 1988). In *Info. Res. Inc.*, the Board held that there was no likelihood of confusion between X\*PRESS for a news data streaming service delivered to computers via software and EXPRESS for computer software relating to general purpose data management and information analysis. *Id.* at 1035, 1037, 1039. The X\*PRESS service was "intended primarily for business and financial users" and the EXPRESS software's applications included financial information analysis. *Id.* at 1035, 1037. The Board even acknowledged that there is "no doubt" that the parties' goods and services "could be sold to the same ultimate end users." *Id.* at 1038. Thus, *Info. Res. Inc.* demonstrates



that even where the marks are nearly identical, in the saturated technology market, the relatedness of the goods and services must reach a high threshold to support a finding of likelihood of confusion.

The present case does not meet this threshold. Here, the parties offer vastly different goods and services. Applicant's original identification encompassed software related to real estate listings. The Examining Attorney contends that listings qualify as a type of advertisement and, as a result, Applicant and Funnel AB's goods and services are related. However, Applicant has now amended its description of goods and services to narrow the identification by deleting "listings." While Applicant does not concede that its original identification conflicted with Funnel AB's registration, none of the remaining goods and services in Applicant's identification relate to advertising in any capacity.

Furthermore, Applicant has sought registration solely in connection with real estate software. In contrast, Funnel AB's registration is for computer programs for creating and disseminating online advertising. Applicant's software is completely distinct from the world of online advertising, which largely centers on targeted advertisements based on individuals' browsing and purchase history. Online advertisements are often the product of complex algorithms and data generated by companies such as Google and Facebook. Through a single online advertising partner, companies can reach prospective customers in countless ways and build brand awareness while individuals are reading the news, scrolling through Instagram, and shopping on other websites. Computer programs associated with these types of services simply bear no relation to the niche software that, for example, a landlord would use to automate the leasing process or a broker would use to curate real estate content.


Regarding DATAFUNNEL, the recited goods and services similarly lack any overlap with Applicant's identification. Syncsort's registration encompasses software for the "extraction, processing, mapping, formatting, integration and transfer of data between data repositories and computer systems" and cloud computing software. Such software falls under the umbrella of data infrastructure and data quality control, both within the IT realm. Contrastingly, Applicant has only applied to register FUNNEL for real estate software and does not conduct any business in the IT space. There is a minimal meaningful chance that a company in search of an IT software and general data management solution would encounter a real estate software provider and vice versa.

Hence, the differences between the parties' goods, services, and established, likely-to-continue trade channels cut against a finding of likelihood of confusion. Just as X\*PRESS and EXPRESS can coexist for software that tangentially relates to financial services, the proposed mark and the cited marks are unlikely to cause confusion when used in connection with entirely distinct types of software. Therefore, due to the wholly different uses for these marks, it is not likely or probable that consumers would confuse Applicant and the Registrants' software.

**D. The Sophistication and Selectiveness of the Relevant Consumers Weighs Against a Finding of Likelihood of Confusion.**

The sophistication and selectiveness of Applicant and the Registrants' customers further prevents a likelihood of confusion. Consumers' "sophistication is important and often dispositive because '[s]ophisticated consumers may be expected to exercise greater care.'" *Elec. Design & Sales Inc. v. Elec. Data Sys. Corp.*, 954 F.2d 713, 718 (Fed. Cir. 1992) (citing *Pignons S.A. de Mecanique de Precision v. Polaroid Corp.*, 657 F.2d 482, 489 (1st Cir. 1981)). Here, each party offers products and services that are catered to sophisticated and selective consumer bases, weighing against a finding of likelihood of confusion.

Regarding Applicant's mark, the underlying goods and services consist of real estate software. Applicant's target customers are real estate companies, property owners, and brokers; thus, Applicant primarily uses a business-to-business model. The FUNNEL software assists property owners and managers with all aspects of leasing, from finding potential tenants to facilitating the application process. These companies are presumably discerning in choosing software and a service provider that is essential to their businesses' success. Owners attempting to rent their properties would certainly be careful in choosing software that facilitates their interactions with potential tenants and helps them generate income from their properties. Brokers may also use Applicant's software as a source of real-time data and to stay up to date on the latest trends in the real estate market. For these reasons and due to the amount of money at stake in real estate transactions, Applicant's customers are the epitome of "sophisticated consumers."

In terms of  FUNNEL, the mark is registered for "computer programs for creating and disseminating online advertising." Funnel AB's main customers are likely companies designing an online marketing campaign to grow their business and expand their customer base. Given that online advertising serves the goal of increasing sales and can be key to businesses' success, such customers would be particularly incentivized to research potential advertising programs. Because

these consumers would rely on the quality of Funnel AB's goods for their own profitability, they would likely thoroughly investigate their options before purchasing the programs.

With respect to DATAFUNNEL, Syncsort's good and services include data management software, computer security technology, and cloud computing services. Consumers are likely to exercise a high degree of care and conduct extensive research before entrusting a company with valuable and sensitive data. Due to the severe ramifications of a data breach or losing digital files, Syncsort's customers are surely highly selective in choosing software to meet their data management software, cybersecurity, and cloud computing needs. Consequently and given their sophistication and selectiveness, Applicant and the Registrants' consumers would not be confused as to the source of the parties' goods and services.

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In summary, any confusion between Applicant's mark and the cited marks is highly unlikely. When considered in light of the limited scope of protection afforded to the cited marks; the differences between FUNNEL and DATAFUNNEL; the parties' dissimilar goods, services, and trade channels; and the sophistication and selectiveness of the relevant consumers, the conclusion that there is no likelihood of confusion is inescapable. As the factors discussed above strongly weigh against a finding of likelihood of confusion, the USPTO should reconsider the rejection in the present case.

### **Section 2(e)(1) Refusal – Descriptiveness**

The Examining Attorney has also refused registration of Applicant's FUNNEL mark, asserting that the mark is merely descriptive of Applicant's "downloadable and non-downloadable software in the field of real estate properties, listings, and transactions; real estate software featuring searching, organizing, managing, monitoring, and analyzing real estate property information, listings, content, and transactions" goods and services under Section 2(e)(1) of the Trademark Act. However, Applicant respectfully submits that a § 2(e)(1) refusal is improper in view of (a) the fact that Applicant's identification of goods and services does not specify anything related to an automated marketing or sales funnel and (b) the at-most suggestive nature of the mark in the context of Applicant's goods and services.

#### **A. The Recited Goods and Services Do Not Pertain to an Automated Marketing or Sales Funnel.**

The fact that Applicant has not sought registration in connection with an automated marketing or sales funnel or associated software should be dispositive and obviates the § 2(e)(1) refusal. “Descriptiveness must be determined in relation to the goods or services *for which registration is sought*.” T.M.E.P. § 1209.03(e) (emphasis added). The critical test for determining descriptiveness is whether the mark merely “describes an ingredient, quality, characteristic, function, feature, purpose, or use of the *specified* goods or services.” T.M.E.P. § 1209.01(b) (emphasis added). Along these lines, “[i]f a term has a primary significance that is descriptive in relation to at least one of the *recited* goods/services, and does not create any double entendre or incongruity, then the term is merely descriptive.” T.M.E.P. § 1209.03(e) (emphasis added); *see In re Calphalon Corp.*, 122 U.S.P.Q.2d 1153, 1164 (T.T.A.B. 2017) (emphasis added) (affirming the refusal to register on the ground that the mark was “merely descriptive of the *identified* goods”). Hence, when assessing if § 2(e)(1) bars a mark’s registration on the Principal Register, the correct inquiry is whether the mark merely describes a purpose, function, characteristic, or feature of the goods or services as listed in the identification.

Here, Applicant has solely applied to register its mark in connection with software for searching, organizing, managing, monitoring, distributing, and analyzing real estate property information, real estate content, and real estate transactions. Neither “sales” nor “marketing” appears in the identification of goods and services at any point. While Applicant’s identification originally included software used in conjunction with real estate listings, Applicant has deleted “listings” from the identification. As the Examining Attorney has expressed, “listing” was the portion of the identification that arguably crossed into the advertising and marketing space. By deleting “listing,” Applicant has removed the language that could be construed as relating to an automated marketing or sales funnel. Analyzing the amended identification on its face, it would be too great of an extrapolation to assume that “Applicant’s software features an automated marketing or sales funnel to direct potential real estate buyers and/or sellers toward a final listing or sale.” Accordingly, Applicant’s amended identification does not support a finding that the proposed mark is merely descriptive of Applicant’s goods and services.

**B. Applicant’s Mark is At-Most Suggestive in the Context of the Goods and Services in Its Identification.**

FUNNEL is at-most merely suggestive of the underlying goods and services, further precluding a § 2(e)(1) refusal. Suggestive marks are those which require imagination, thought, or perception to reach a conclusion as to the nature of the goods or services. Thus, a suggestive

term differs from a descriptive term, which immediately conveys something about the underlying goods or services. T.M.E.P. § 1209.01(a) (citing *In re Shutts*, 217 U.S.P.Q. 363, 365 (T.T.A.B. 1983) (SNO-RAKE held not merely descriptive of a snow removal hand tool)).

Moreover, Applicant submits that a designation does not have to be devoid of all meaning in relation to the goods or services to be registrable. It is well established that to be characterized as “descriptive,” a mark must directly give some reasonably accurate or distinct knowledge of the characteristics of the product or service. If information about the product or service given by the mark is indirect or vague, then this indicates that the mark is being used in a “suggestive,” not descriptive, manner.

Here, when used in connection with the applied-for goods and services, the mark FUNNEL does not *immediately* convey a quality, characteristic, feature, or purpose of Applicant’s goods and services. The mental leap between the mark and the goods and services’ attributes is not instantaneous. As explained above, “searching, organizing, managing, monitoring, distributing, and analyzing real estate property information, real estate content, and real estate transactions” simply does not equate to “software for an automated marketing or sales funnel.” It would require too many steps and inferences to deduce that the proposed mark, as used in connection with the underlying goods and services, relates to an automated marketing or sales funnel for real estate. Additionally, “funnel” is a term of art in the marketing industry. There is no indication that the average consumer is aware of its marketing meaning, let alone comprehends how it could apply in the real estate context. Therefore, when consumers encounter the mark, “imagination, thought, or perception” is inevitably required to make an inference about Applicant’s goods and services, if indeed the average consumer will make such an inference.

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Finally, in support of registrability of the trademark, without any evidence of consumer understanding of any special meaning of the trademark, it must be assumed registrable. *In re American Fertility Society*, 51 U.S.P.Q.2d 1832, 1837 (Fed. Cir. 1999) (“[T]here was no evidence produced that the term is used by the relevant public to refer to a similar class.”). Consequently and for the reasons stated above, Applicant asks the Examining Attorney to withdraw the § 2(e)(1) refusal and permit Applicant’s mark to proceed to publication.

## **CONCLUSION**

In view of the foregoing, the Applicant believes the application is in condition for publication. Such action is solicited.