**IN THE UNITED STATES DISTRICT COURT**
**FOR THE NORTHERN DISTRICT OF ILLINOIS**
**EASTERN DIVISION**

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| TIMELINES, INC. | ) | |
| | ) | |
| Plaintiff/Counter-Defendant | ) | Civil Action No.: 11 CV 6867 |
| | ) | |
| v. | ) | HONORABLE JOHN W. DARRAH |
| | ) | |
| FACEBOOK, INC. | ) | Jury Trial Demanded |
| | ) | |
| Defendant/Counter-Plaintiff. | ) | |

**TIMELINES' MEMORANDUM IN SUPPORT OF EMERGENCY MOTION *IN LIMINE* NO. 9 TO EXCLUDE EVIDENCE OF TIMELINES' OTHER TRADEMARK APPLICATION**

Plaintiff Timelines, Inc. ("Timelines"), through its attorneys, Reed Smith LLP, moves this Court *in limine*, under Federal Rules of Evidence 401, 402, and 403, to exclude from trial evidence, testimony, and argument related to Timelines' other trademark applications. In support of its Emergency Motion *in limine* No. 9, Timelines states as follows:

## INTRODUCTION

While negotiating the short statement of the case, it became clear to Timelines' counsel that Facebook intends to try to introduce evidence at trial (and perhaps in its opening statement) that Timelines was denied a fourth trademark application. A copy of the USPTO's September 26, 2011 letter is attached hereto as Exhibit A. Facebook hopes to persuade the jury that because Timelines was denied *one* trademark application, Timeline's three other trademarks—the ones actually at issue — must *also* be rejected. In light of Facebook's arguments that this trial should not be mini-trials concerning other trademarks, this argument is really an effort to backdoor in the opinion of an USPTO examiner on the validity of the trademarks. But, the USPTO examiner did not opine on the three marks at issue, and commentary from the rejected mark would hopelessly confuse matters. Additionally, this evidence is not relevant for several reasons.

*First*, the USPTO opinion is not timely, as it is 10 months old and, as the USPTO examiner explained in Ex. A, trademarks in the computer and electronic fields change rapidly. Given the amount of time that has passed, there is simply no guarantee that the USPTO's decision is still meaningful (or if he would say the same today). That renders Ex. A speculative.

*Second*, the USPTO examiner included a section in Ex. A entitled "Identification of Services," in which he stated that the identification offered was indefinite. This means that the examiner offered multiple reasons for the rejection. Allowing this evidence at trial would result in a mini-trial about the reasons for the examiner's action—again, on a mark that is not at issue.

*Third*, and related to the previous point, the USPTO suggested possible ways in which Timelines could amend the application. Because Timelines was within its rights to do so, but did not, the USPTO opinion lacks finality and certainty.

Relevance aside, evidence of a USPTO denial is unfairly prejudicial under Rule 403 for several reasons, ranging from creating biases to confusing and misleading the jury. As explained more fully below, Facebook should be barred at trial from mentioning, introducing, or referring to any evidence related to Timelines' fourth trademark application.

## ARGUMENT

### A. Facebook Cannot Use the USPTO as an Expert.

Facebook's request to use evidence of Timelines' denied trademark is an effort to offer expert testimony to the jury about the marks at issue, from a person who is not subject to further examination—the USPTO examiner. Facebook will argue that because he rejected another application, he would do so now, here.

**B. Timelines' Fourth Trademark Application is not Relevant Under Rule 401, and Therefore, not Admissible at Trial.**

The only trademarks that are at issue in this case are the three federally registered trademarks that the USPTO—upon finding the marks suggestive—granted to Timelines. Because the application at issue in this motion was abandoned, it is of no moment. More important, these are the three trademarks that Timelines claims Facebook infringed and these are the three trademarks that Facebook must prove are generic. Facebook, nonetheless, seeks to introduce evidence of Timelines' rejected trademark to convince the jury that all of Timelines' trademarks are invalid. But evidence of a trademark application, which is not the subject of this suit, is not admissible under Rule 401 because it has no bearing on any issue that is before the jury. *See United States v. Klebig*, 600 F.3d 700, 710 (7th Cir. 2009) ("[A]ll relevant evidence is admissible, and evidence which is not relevant is not admissible." (citing FED. R. EVID. 402)). Under Fed. R. Evid. 401, evidence is relevant when it has "any tendency to make the existence of any fact that is of consequence to the determination of the action more probable or less probable than it would be without the evidence." *Thompson v. City of Chicago*, 472 F.3d 444, 453-54 (7th Cir. 2006) (citing FED. R. EVID. 401). Besides having nothing to do with the trademarks actually at issue, there are several fundamental reasons why evidence that the USPTO rejected one of Timelines trademarks is not relevant.

**1. The USPTO Opinion is Not Timely.**

The USPTO opinion was rendered too long ago to have any relevance in this case. It its opinion, the USPTO explained that "trademark rights are not static and eligibility for registration must be determined on the basis of the facts in the record *at the time registrations is sought*." (USPTO Opinion, p.3 (citing *In re Chippendales USA Inc*., 622 F.3d 1346, 1354, (Fed. Cir. 2010). The USPTO further explained that this is particularly true in the field of electronics and

computers, which is "changing rapidly. . ." (*Id*. citing *In re Sun Microsystems, Inc*., 59 USPQ2d 1084, 1088 (TTAB 2001). Here, the USPTO decision was rendered 10 months ago, which is a significant amount of time given how quickly the computer and electronics field changes. (*See id*. citing In re Styleclick.com Inc., 57 USPQ2d 1145, 1448 (TTAB 2000)(noting "a year or two is an eternity in internet time. . . ." ). Because so much time has gone by there is no certainty that the USPTO would reach the same conclusion today, thus reducing even further any waning relevance the USPTO opinion might have had in the first place.

**2. The USPTO Denied the Application, in part, Because of an Indefinite Description of Services.**

The relevance of the USPTO opinion is even further reduced by the fact that the USPTO examiner noted flaws in the application that were unrelated to the distinctiveness of the mark. One of the flaws with Timelines' fourth trademark application was that it failed to identify the mark's services with the requisite level of clarity. (*See id*.) Of course this has no bearing on the issue of whether the trademarks at issue in this case are valid.

**3. The USPTO Opinion Lacks Finality.**

One of the most prominent problems with allowing the USPTO opinion in as evidence is that it lacks finality. Timelines could have, but did not, respond to the Office Action by amending its application. Timelines, for instance, never addressed or attempted to narrow the specific language that the USPTO took issue with. (*See id*. at 2.) Likewise, the USPTO suggested language that Timelines again, could have, adopted to address the identification of services. (*See id*. at 3.) And on top of this, the USPTO never determined that the mark was so generic that it could not be added to the supplemental register or could eventually be registered on the principal register. (*See id*.)

This leaves open the question of whether the trademark as described in the rejected application is really merely descriptive. And to the extent that this is still an open question, Facebook should not introduce this evidence to the jury as definitive on the issue of validity with respect to even the fourth trademark, much less the trademarks actually at issue here.

**C. Evidence of Timelines Fourth Trademark Application is Not Admissible Under Rule 403.**

Even if evidence of Timelines' fourth trademark application is somehow relevant, it is still not admissible because the probative value of that evidence is outweighed by the dangers expressed in Rule 403. Rule 403 permits a district court to "exclude relevant evidence if its probative value is substantially outweighed by a danger of . . . unfair prejudice, confusing the issues, misleading the jury, undue delay, wasting of time, or needlessly presenting cumulative evidence." *United States v. Boros*, 668 F.3d 901, 909 (7th Cir. 2012) (citing FED. R. EVID. 403).

As set forth above, evidence that the USPTO rejected Timelines' application for a trademark not at issue has no probative value. Its only purpose, therefore, if admitted, would be to unfairly prejudice Timelines. The jury may incorrectly think that because Timelines was denied a trademark application for the term "Timelines" on one occasion, Timelines' other, earlier trademarks, are also unenforceable. The result is a jury decision on the issue of validity based not on the strength of the trademarks actually at issue, but on the strength of an irrelevant trademark application.

On top of being unfairly prejudicial, this evidence also confuses the issues. As the Court is well aware, it is not uncommon for juries to struggle with complicated issues of fact and law that counsel and the parties have been living with throughout the case. In an effort to keep the trial of this matter focused on the issues of the case, the jury should not be asked to consider

irrelevant evidence about why the USPTO did or did not do something and what may have happened had Timelines amended its application.

## CONCLUSION

Stripped down to its essence, the USPTO's opinion is for a different trademark application, with a different description, more than 10 months old, denied in part on an irrelevant basis, and that is not absolutely final. It simply has no bearing on the trademarks at issue here. Its only purpose would be to prejudice Timelines and confuse the jury's assessment of the claims and damages actually at issue in this case. For these reasons and the reasons set forth above, Federal Rules of Evidence 401, 402, and 403 require that this evidence be excluded at trial. Accordingly, the Court should grant Timelines' Emergency Motion *In Limine* 9.

DATED: April 18, 2013

Respectfully submitted,

**TIMELINES, INC.,**
*Plaintiff/Counter-Defendant*

By: /s/ Douglas A. Albritton
James T. Hultquist (SBN 6204320)
Douglas A. Albritton (SBN 6228734)
Michael L. DeMarino (SBN 6298337)
Bruce R. Van Baren (SBN 6310375)
REED SMITH LLP
10 South Wacker Drive
Chicago, IL 60606-7507
Telephone: +1 312 207 1000

*Counsel for Plaintiff/Counter-Defendant Timelines, Inc.*

## CERTIFICATE OF SERVICE

I, the undersigned attorney, certify that I electronically filed the attached document. Pursuant to Rule 5(b)(3) of the Federal Rules of Civil Procedure and Local Rule 5.9, I have thereby electronically served all Filing Users.

DATED: April 18, 2013

Respectfully submitted,

**TIMELINES, INC.,**
*Plaintiff/Counter-Defendant*

By: /s/ Douglas A. Albritton

James T. Hultquist (SBN 6204320)
Douglas A. Albritton (SBN 6228734)
Michael L. DeMarino (SBN 6298337)
Bruce R. Van Baren (SBN 6310375)
REED SMITH LLP
10 South Wacker Drive
Chicago, IL 60606-7507
Telephone: +1 312 207 1000
Facsimile: +1 312 207 6400

*Counsel for Plaintiff/Counter-Defendant Timelines, Inc.*