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6 **UNITED STATES DISTRICT COURT**
7 **WESTERN DISTRICT OF WASHINGTON**
8 **AT SEATTLE**

9 TREEMO, INC., a Delaware corporation,

10 Plaintiff,

11 v.

12 FLIPBOARD, INC., a Delaware
13 corporation,

14 Defendant.

15 FLIPBOARD, INC., a Delaware
16 corporation,

17 Counter-Claimant,

18 v.

19 TREEMO, INC., a Delaware corporation,

20 Counter-Defendant.
21

NO. C13-1218-JPD

ORDER ON CROSS MOTIONS FOR
SUMMARY JUDGMENT

22 **I. INTRODUCTION AND SUMMARY CONCLUSION**

23 On July 11, 2013, plaintiff and counter-defendant Treemo, Inc. (“Treemo”) filed a
24 declaratory judgment against defendant and counter-claimant Flipboard, Inc. (“Flipboard”) for
25 a declaration of non-infringement of trademark rights under the Declaratory Judgments Act, 28
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1 U.S.C §§ 2201 and 2202, and the Lanham Act, 15 U.S.C. § 1124(a) and (c). Dkt. 1. On July
2 26, 2013, Flipboard filed an answer and counterclaims alleging statutory and common law
3 infringement of trademark rights and false designation of origin claims, under 15 U.S.C. §§
4 1114 and 1125(a). Dkt. 6.

5 On June 19, 2014, the parties filed cross motions for summary judgment. Dkts. 51, 61.
6 Treemo seeks an order granting summary judgment that its “FLOWBOARD” mark does not
7 infringe its “FLIPBOARD” mark. Dkt. 51 at 4. Conversely, Flipboard asks this Court to
8 determine, as a matter of law, that Treemo’s FLOWBOARD mark infringes its mark. Dkt. 61
9 at 6. Having considered the briefs and supporting materials filed by the parties, the parties’
10 oral arguments on August 1, 2014, and the balance of the record, the Court DENIES both
11 motions for summary judgment (Dkts. 51 and 61).

12 II. BACKGROUND

13 A. Flipboard

14 Founded in 2010, Flipboard is a technology company based in Palo Alto, California.
15 Dkt. 61 at 8. In July 2010, Flipboard launched its primary product, which is a software
16 application for smartphones and tablet computers called “Flipboard” (hereinafter the
17 “Flipboard App”). *Id.* The Flipboard App allows users to create interactive publications by
18 combining elements of online content in order to tell stories, act as an online photo album, and
19 display social media content. *Id.* at 9. Depending on the user’s preferences, the Flipboard App
20 allows users to make personal publications that can include content from various Internet
21 sources. *Id.* Users can then publish and share their content for other users to view. *Id.* The
22 Flipboard App is available for free and can be downloaded from online channels such as
23 Apple’s App Store for iPhones and iPads, and the Google’s Play Store for Android devices.
24 *Id.*

1 Associated with Flipboard's App is a FLIPBOARD mark and its "F" logo, which have
2 been used in commerce since 2010. *Id.* at 10; Dkt. 56. Flipboard applied for registration of its
3 FLIPBOARD mark with the U.S. Patent and Trademark Office ("USPTO") in February 2010,
4 and for its F logo mark in December 2010. Dkt. 61 at 10. The USPTO granted registration of
5 the FLIPBOARD mark and F logo (collectively "the FLIPBOARD Marks"), separately, in July
6 2012 and again in August 2013. Dkt. 61 at 10-11.

7 The FLIPBOARD mark is used throughout the Flipboard App, in the URL of
8 Flipboard's website, the account name for Flipboard's official Facebook account, and as the
9 "handle" for Flipboard's official Twitter account. Dkt. 61 at 10. Similarly, its F logo is
10 displayed throughout Flipboard's website, the Flipboard App, and in Flipboard's marketing
11 material. *Id.*

12 B. Treemo

13 Founded in 2005, Treemo is a technology company based in Seattle, Washington. Dkt.
14 51 at 5; Dkt. 61 at 12. Since its founding, Treemo has been in the business of developing and
15 marketing mobile applications. *Id.*

16 In 2011, Treemo was producing and distributing a software product for mobile devices
17 called "AppaFolio." Dkt. 51 at 5. The AppaFolio product was a platform for a user to bring
18 together into a "folio" the user's personally-generated multimedia content, such as graphics,
19 images, or other user-created content. *Id.* In early 2012, Treemo began researching and
20 developing user interface prototypes for a tablet-based authoring tool that would allow anyone
21 to author interactive presentations from their tablet, specifically the iPad tablet. *Id.* at 6. The
22 goal was to create a tool that would allow users to author presentations that could be explored
23 interactively. *Id.* According to Treemo, "the new Treemo product allowed the user to build a
24 storyboard-style presentation and then add interactive links to enable the viewer to arbitrarily
25 follow various paths in the presentation, the way one would in a flowchart." *Id.* Thus, the
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1 fundamental interaction used to navigate Treemo’s application is the ability to scroll or “flow”
2 from screen to screen. *Id.*

3 Starting around May 2012, Treemo decided to rebrand its AppaFolio product. *Id.*
4 Treemo began considering the name “Flowboard” for its product. Dkt. 61 at 13. According to
5 Treemo, it conducted some research, including doing a search of domain names, trademarks,
6 and other uses of the words “flow” and “board,” in order to determine whether the term
7 “Flowboard” was available to use. At least as early as this time, Treemo discovered the
8 FLIPBOARD Marks. *Id.* In July 2012, Treemo Director Geoff Entress noted to Treemo
9 Founder Brent Brookler that the Flowboard name being considered was similar to Flipboard’s.
10 *Id.* Despite the recognition of the FLIPBOARD Marks, Treemo decided to proceed with the
11 Flowboard name for its product. Dkt. 51 at 8. On August 9, 2012, Treemo filed an application
12 for registration of the “FLOWBOARD” mark with the USPTO and was issued the mark. Dkt.
13 53-5. In addition, to the FLOWBOARD mark, Treemo also adopted its own version of an F
14 logo (collectively “the FLOWBOARD Marks”). See Dkt. 51 at 8.

15 On or about April 18, 2013, Treemo launched its rebranded application (hereinafter
16 “the Flowboard App”), and began doing business as Flowboard. Dkt. 61 at 13. Like the
17 Flipboard App, the Flowboard App is available for the iPad, and is available for download at
18 the Apple App Store. *Id.* at 14. Treemo uses its FLOWBOARD Marks in essentially the same
19 way as Flipboard uses its marks. *Id.* Treemo uses the FLOWBOARD mark as the URL of its
20 official website, in the account name for Flowboard’s official Facebook account, and as the
21 “handle” for the Flowboard’s official Twitter account. *Id.* The FLOWBOARD Marks also
22 appear throughout the Flowboard App itself, in all of Treemo’s marketing materials concerning
23 the Flowboard App, throughout the Flowboard website, and next to the icon for the Flowboard
24 App on most mobile devices. *Id.* at 14-15.

1 C. Dispute

2 Shortly after Treemo launched the Flowboard App, Flipboard learned of Treemo's
3 product and, through its counsel, contacted Treemo via a letter dated April 22, 2013, requesting
4 that Treemo refrain from using the FLOWBOARD Marks, so as to not cause any confusion in
5 the marketplace between the two company's respective products. Dkt. 61 at 17. Treemo
6 refused, and this litigation ensued.

7 III. LEGAL ISSUES

- 8 1. Should either party's motion for summary judgment be granted?
9 2. If not, are the parties entitled to a jury trial?

10 IV. DISCUSSION

11 A. Legal Standard for Summary Judgment

12 A moving party is entitled to summary judgment when there are no genuine issues of
13 material fact in dispute and the moving party is entitled to judgment as a matter of law.
14 *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). An issue of fact is "genuine" if it
15 constitutes evidence with which "a reasonable jury could return a verdict for the nonmoving
16 party." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). That genuine issue of fact
17 is "material" if it "might affect the outcome of the suit under the governing law." *Id.*

18 B. Summary Judgment is Inappropriate

19 To prevail on a trademark claim under the Lanham Act, a plaintiff must prove (1) it has
20 a protectable ownership interest in a mark, and (2) the defendant's use of the mark is likely to
21 cause consumer confusion. *Rearden LLC v. Rearden Commerce, Inc.*, 683 F.3d 1190, 1202-03
22 (9th Cir. 2012). In a trademark infringement action, likelihood of confusion is the touchstone.
23 *See AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979). The Ninth Circuit has
24 identified eight factors (commonly referred to as the "*Sleekcraft* factors") as relevant to the
25 likelihood of confusion analysis. These include: (1) the strength of the allegedly infringed
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1 mark; (2) the similarity of the parties' goods; (3) the similarity of the parties' marks; (4) the
2 extent to which there is evidence of actual confusion; (5) the marketing channels used by the
3 parties; (6) the degree of care likely to be exercised by the purchasers of the parties' products;
4 (7) the alleged infringer's intent in selecting its marks; and (8) the likelihood that the alleged
5 infringer will expand its product lines. *See Sleekcraft*, 599 F.2d at 348-49.

6 The Ninth Circuit has consistently held that the application of the *Sleekcraft* factors in
7 determining the likelihood of confusion is to be "pliant" and has warned against "excessive
8 rigidity" in applying the factors. *See e.g., Jada Toys, Inc. v. Mattel, Inc.*, 518 F.3d 628, 632
9 (9th Cir. 2008). It has also stated that some factors are much more important than others, and
10 the relative importance of each individual factor will be case-specific. *Brookfield Commc'n,*
11 *Inc. v. West Coast Entm't Corp.*, 174 F.3d 1036, 1054 (9th Cir. 1999). Although some factors
12 such as the similarity of the marks and whether the two companies are direct competitors will
13 always be important, the Ninth Circuit has stated that it is often possible to reach a conclusion
14 with respect to likelihood of confusion after considering only a subset of the factors. *Id.* (citing
15 *Dreamwerks Prod. Group v. SKG Studio*, 142 F.3d 1127, 1130-32 (9th Cir. 1998)). Thus,
16 there is no requirement that the plaintiff establish that all *Sleekcraft* factors weigh in favor of
17 summary judgment, or even that a majority do. Nor is any one factor dispositive. Rather,
18 courts have extensive discretion in determining how much weight to accord each factor based
19 on the circumstances of the case. *See e.g., Hokto Kinoko Co. v. Concord Farms, Inc.*, 738 F.3d
20 1085 (9th Cir. 2013); *One Industries, LLC v. Jim O'Neal Distributing, Inc.*, 578 F.3d 1154 (9th
21 Cir. 2009); *Au-Tomotive Gold, Inc. v. Volkswagen of America, Inc.*, 457 F.3d 1062, 1078 (9th
22 Cir. 2006). Where the court determines that the *Sleekcraft* factors, considered in their totality,
23 indicate a likelihood of consumer confusion, summary judgment is appropriate. *See e.g., Au-*
24 *Tomotive Gold*, 457 F.3d at 1078. The Ninth Circuit has, however, repeatedly held that
25 summary judgment is generally disfavored in trademark litigation, because the nature of
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1 trademark case analysis is fact intensive. *Fortune Dynamic, Inc. v. Victoria's Secret Store*
2 *Brand Mgmt, Inc.*, 618 F.3d 1025, 1031 (9th Cir. 2010).

3 Here, genuine issues of material fact exist with respect to *Sleekcraft* factors (2), (6), and
4 (7) (as will be discussed below), which need to be further developed at trial. As a result, the
5 Court finds that granting summary judgment is inappropriate.

6 *1. Flipboard Owns the FLIPBOARD Marks*

7 As a preliminary matter, there is no dispute that Flipboard owns federal trademark
8 registrations for the marks. Dkt. 61 at 10-11, 19. It is also undisputed that Flipboard is the
9 senior user, as it has been marketing its software using the FLIPBOARD Marks since July
10 2010, almost three years prior to the launch of the Flowboard App. Dkt. 61 at 13, 19. Thus,
11 Flipboard has established that it has a protectable ownership interest in the FLIPBOARD
12 Marks.

13 *2. Issues of Material Fact Exist as to Similarity of the Products and Degree*
14 *of Care*

15 The “use of similar marks to offer similar products . . . weighs heavily in favor of a
16 likelihood of confusion.” *Brookfield*, 174 F.3d at 1063-64. This factor does not require the
17 products to be completely identical. Rather, “[r]elated goods are those ‘products which could
18 be reasonably thought by the buying public to come from the same source if sold under the
19 same mark.’” *Sleekcraft*, 599 F.2d at 348 n.10; *see also Brookfield*, 174 F.3d at 1056; *Golden*
20 *Door, Inc. v. Odisho*, 646 F.2d 347, 350 (9th Cir. 1980).

21 Treemo argues that its Flowboard App is not similar to Flipboard’s App. Dkt. 51 at 15-
22 17. First, Treemo argues that the parties’ products and services are unrelated and function
23 differently, because Treemo’s Flowboard App functions in the area of “touch publishing” and
24 “content creation,” whereas Flipboard’s App is a “news aggregator” and does not allow for the
25 creation of new content. Dkt. 51 at 16. Second, Treemo argues that the parties target different
26 customers in that Treemo’s Flowboard App is “targeted to creative individuals who, generally,

1 are authoring presentations or other business-minded content,” whereas Flipboard’s App is
2 “targeted at individuals who enjoy reading the news.” *Id.*

3 Flipboard takes a broader view of the parties’ products. Specifically, Flipboard argues
4 that both products’ “primary function is to allow users to create and share personal, customized
5 publications that combine text and images drawn from a variety of sources.” Dkt. 61 at 26.
6 Moreover, Flipboard argues that “both can be used to tell stories, initiate dialog about new
7 ideas, and share photos in an aesthetically pleasing format.” At oral argument, Flipboard’s
8 counsel characterized both products as being part of the personalized publication app market.

9 Here, genuine issues of material fact exist as to whether the products compete in the
10 same market and for the same consumer base. While evidence exists that both products allow
11 users to create and share personal, customized publications, there is some evidence that the
12 Flowboard App differs in that it allows users to create content rather than merely aggregate
13 content. Treemo has attempted to highlight this difference and likens the Flowboard App to
14 something akin to a “Power Point presentation app” for mobile devices, whereas, according to
15 Treemo, the Flipboard App merely allows users to passively aggregate data. *See e.g.*, Dkt. 51
16 at 15-16. This may or may not be a significant difference in functionality by the two products
17 that could differentiate them in the marketplace and from the same market space. Moreover, at
18 least some evidence exists that indicates the products are categorized differently in the
19 marketplace. *Id.*; Dkt. 73 at 5; Dkt. 79 at 10.

20 In addition, although both products are available to download for free, it is unclear if
21 the alleged product differentiation asserted by Treemo would affect the degree of care
22 exercised by consumers when downloading the products. These are issues that should be
23 resolved at trial.

24 3. *Issues of Material Fact Exist as to Treemo’s Intent*

25 Flipboard argues that Treemo acted in bad faith and attempted to trade on Flipboard’s
26 established goodwill when it chose the FLOWBOARD Marks. Dkt. 61 at 21. Flipboard points

1 to several pieces of evidence to support its position. First, Flipboard points to an email from
2 Mr. Entress to Mr. Brookler, in which Mr. Entress, after being asked about the Flowboard
3 name said “I like it. Is the popular news app Flipboard? I guess that is a good thing.” Dkt. 58-
4 9 at 2; Dkt. 61 at 21. Second, Flipboard points to the fact that Treemo assigned one of its lead
5 designers to review Flipboard’s “online presence/social media strategy.” Dkt. 58-8 at 2; Dkt.
6 61 at 21. Third, Flipboard points to statements made by Treemo likening the Flipboard App to
7 the Flowboard App to the press. Dkt. 61 at 21.

8 Treemo argues that it acted in good faith when it adopted FLOWBOARD, and while it
9 did undertake a review of Flipboard’s mark and business, it did so in an effort to avoid any
10 trademark dispute. Dkt. 51 at 20. Moreover, Treemo argues that it engaged in a trademark
11 search at the USPTO and was told by the prosecuting examiner that there was no likelihood of
12 confusion, thus validating its good faith belief that FLOWBOARD could be used. Dkt. 67 at
13 9-10.

14 Here, genuine issues of material fact exist as to Treemo’s intent in adopting its marks.
15 While the quote by Treemo’s executive raises substantial questions regarding Treemo’s alleged
16 good faith in its adoption of FLOWBOARD, this is an issue best left to the trier of fact after
17 hearing from Mr. Entress at trial.

18 C. Flipboard’s Damages Claims Are Moot and a Jury Trial is No Longer Proper

19 Flipboard has agreed to waive its claims for monetary damages. Dkt. 66 at 14; Dkt. 72
20 at 15. As a result, issues pertaining to Flipboard’s damages are moot and this Court does not
21 need to address any arguments regarding the same on summary judgment.

22 However, this raises an issue between the parties as to whether a right to a trial by jury
23 still exists. *See* Dkts. 78, 79. Initially both parties demanded a trial by jury and properly
24 preserved that right. Now, however, because Flipboard has withdrawn its damages claims,
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1 leaving only equitable relief, and because Treemo seeks only declaratory relief, the question is
2 whether the parties are still entitled to a jury trial. The answer is no.

3 The Seventh Amendment provides that “[i]n Suits at common law, where the value in
4 controversy shall exceed twenty dollars, the right of trial by jury shall be preserved.” U.S.
5 Const. Amend. VII. “The phrase ‘Suits at common law’ refers to ‘suits in which legal rights
6 [are] to be ascertained and determined, in contradistinction to those where equitable rights
7 alone [are] recognized, and equitable remedies [are] administered.’” *Chauffeurs, Teamsters
8 and Helpers, Local No. 391 v. Terry*, 494 U.S. 558, 564-65 (1990) (citations omitted). Federal
9 Rule of Civil Procedure 38 provides that “[t]he right of trial by jury as declared by the Seventh
10 Amendment to the Constitution or as given by a statute of the United States shall be preserved
11 to the parties inviolate.” Fed. R. Civ. P. 38(a). Rule 38 further provides that a “[a] demand for
12 trial by jury made as herein provided may not be withdrawn without the consent of the
13 parties.” Fed. R. Civ. P. 38(d). Treemo latches onto Rule 38 and argues that because it has
14 not, and will not, consent to a withdrawal of its jury demand, the case must still be tried to a
15 jury. Treemo is wrong.

16 While the Ninth Circuit has never addressed this issue, other courts have interpreted
17 Rule 38 to apply only in situations *where a right to a jury trial already exists*. See e.g.,
18 *Kramer v. Banc of Am. Sec., LLC*, 355 F.3d 961, 968 (7th Cir. 2004) (“Rule 38, as is made
19 clear by the caption, is concerned with jury trials of right”); *Starbucks Corp. v. Lundberg*, No.
20 02-948-HA, 2005 WL 6036699, at *4 (D. Or May 25, 2005); *Quinn Const., Inc. v. Skanska
21 USA Bldg., Inc.*, No. 07-406, 2010 WL 4909587, at *4 (E.D. Pa Nov. 30, 2010) (“Rule 39
22 clarifies that Rule 38 is not a source of independent rights, and reflects the possibility that a
23 party may have no pre-existing right to a jury trial.”); *Alexander v. Chattahoochee Valley
24 Cmty. Coll.*, 303 F. Supp. 2d 1289, 1290-91 (M.D. Ala. 2004) (“[U]nder Rule 39(a)(2), if a
25 court finds that ‘a right of trial by jury of some or all of those issues does not exist under the
26 Constitution or statutes of the United States,’ the court may order that the trial not be by

1 jury.”); *Manrique v. Fagan*, No. 08-60501-CIV, 2009 WL 700999, at *8 (S.D. Fla. Mar. 16,
2 2009) (“Admittedly, Rule 38(d) does not require consent if no right to a jury exists.”).

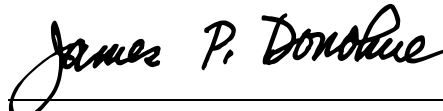
3 Thus, in a situation such as this, where a right to a jury trial no longer exists, consent to
4 withdraw the jury demand is no longer required. While Treemo argues that this Court should
5 at least try this case to an advisory jury, that decision is at the discretion of the Court. *See* Fed.
6 R. Civ. P. 39(c). The Court sees no need to do so. As a result, this case will be tried as a
7 bench trial.

8 V. CONCLUSION

9 For the foregoing reasons, the Court ORDERS:

- 10 (1) Flipboard’s motion for summary judgment (Dkt. 61) is DENIED.
11 (2) Treemo’s motion for summary judgment (Dkt. 51) is DENIED.
12 (3) The trial shall proceed in this matter as scheduled (*see* Dkt. 18), but will be tried
13 to the undersigned as a bench trial.

14 DATED this 15th day of August, 2014.

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17 JAMES P. DONOHUE
18 United States Magistrate Judge
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