

In the Matter of

1-800 CONTACTS, INC., a corporation

Docket No. 9372

RESPONDENT 1-800 CONTACTS, INC.'S RESPONSES TO COMPLAINT COUNSEL'S SEPARATE STATEMENT OF UNDISPUTED FACTS IN SUPPORT OF THEIR MOTION FOR PARTIAL SUMMARY DECISION; RESPONDENT'S SEPARATE AND CONCISE STATEMENT OF MATERIAL FACTS THAT PRESENT GENUINE ISSUES FOR TRIAL

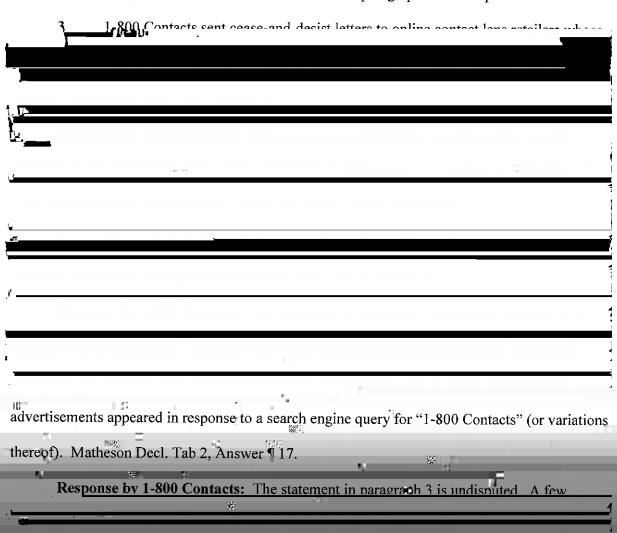
Pursuant to Rule 3.24, Respondent 1-800 Contacts, Inc. ("1-800 Contacts") submits, in

support of its annosition to Complaint C	ommonly motion for mostial assumed at the de-
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Response by 1-800 Contacts: The statement in paragraph 1 is undisputed.

2. 1-800 Contacts has more U.S. online sales of contact lenses than any other retailer. Matheson Decl. Tab 2, Answer ¶ 1.

Response by 1-800 Contacts: The statement in paragraph 2 is undisputed.



	} ³	
5.	1-800 Contacts filed complaints in federal court against certain of those online	
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ontact iens	retailers for trademark infringement. Matheson Decl. Tab 2, Answer ¶ 18.	
Per	Onse by 1-800 Contacts. The statement in narrowanh 5 is diameted because it is	
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Because Complaint Counsel have taken the position that the identity of any party that settled a trademark infringement suit brought by Respondent is confidential Respondent has without

Matheson Decl. Tab 3.

- **8.** 1-800 Contacts entered into an agreement with {
 - }. Matheson Decl. Tab 4, {
 - }. 1-800 Contacts later entered into another agreement with {

} which provided that the earlier agreement would remain in full force.

Matheson Decl Tab 5 4

}. The later

agreement was incorporated in a consent decree entered by a court. Matheson Decl. Tab 6, CX0316 (Order of Permanent Injunction). "Prohibited Acts shall not include (i) use of the other Party's Trademarks on the Internet in a manner that would not constitute an infringing use in an non-Internet context, e.g., the use on the Internet of comparative advertising, parodies, and similar non-infringing, uses; and (ii) the purchase by either Party of the key words that are generic words such as "contacts," "contact lens," and "lens" (and both Parties acknowledge that any advertisements triggered by such key words are not prohibited under this agreement.).Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 8 as incomplete and misleading, and disputes the characterization of the agreements as unsupported and inaccurate. 1-800 Contacts entered into a "Settlement Agreement" with {

Matheson Decl. Tab 4. 1-800

Contacts subsequently filed a complaint in United States District Court against {

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Matheson Decl. Tab
5, {
                                                  Matheson Decl. Tab 6.
       9.
              1-800 Contacts entered into an agreement with {
                                             }. Matheson Decl. Tab 7, {
                    }.
       Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 9 as
incomplete and misleading. 1-800 Contacts entered into a "Settlement Agreement" with {
                                                                   Matheson Decl. Tab 7.
       10.
              1-800 Contacts entered into an agreement with {
                   }. Matheson Decl. Tab 8, {
                                                                                        }.
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} Matheson Decl. Tab 8.

11.	1-800 Contacts entered	into an agreement with {	
		}. Matheson Decl. Tab 9, {	
	} .		
Resį	onse by 1-800 Contacts:	1-800 Contacts disputes the stateme	ents in naraoranh 11 as
e) O			1
		Matheson Decl. Ta	ab 9; Perry Decl., Ex.
H (Complain	nt filed against {	}).	
12.	1-800 Contacts entered is	nto an agreement with {	
	}. Matheson Decl. Tab	10, {	}.
Resp	onse by 1-800 Contacts:	1-800 Contacts disputes the statemen	nts in paragraph 12 as
incomplete a	nd misleading. 1-800 Cont	tacts entered into a "Settlement Agre	eement" with {
	Matheson Decl. Tab 1	10.	
13.	1-800 Contacts entered in	nto an agreement with {	
	}. Matheson l	Decl. Tab 11, {	
	}.		
Resn	anse by 1.800 Contacts:_1	1-800 Contacts disputes the statemen	sta in nanaanah 12 aa
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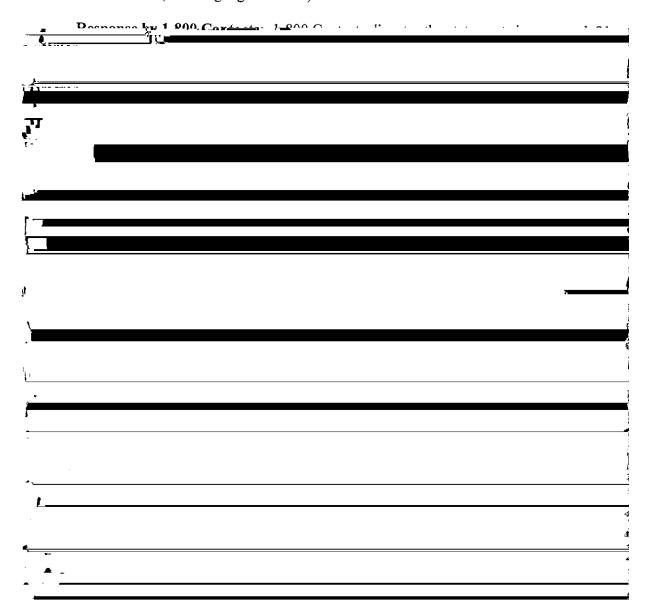
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Matheson Decl. Tab 11.
       14.
              1-800 Contacts entered into an agreement with {
                      }. Matheson Decl. Tab 12, {
           }.
       Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 14 as
incomplete and misleading. 1-800 Contacts entered into a "Settlement Agreement" with {
                                                     Matheson Decl. Tab 12.
              1-800 Contacts entered into an agreement with {
      15.
                                               }. Matheson Decl. Tab 13, {
      Response by 1.800 Contacts 1.800 Contacts disputes the statements in narrowsh 15 as
                                           }.
                                                    Matheson Decl. Tab 13.
      16.
              1-800 Contacts entered into an agreement with {
    }. Matheson Decl. Tab 14, {
                                                                         }.
      Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 16 as
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Matheson Decl. Tab 14.
17.
        1-800 Contacts entered into an agreement with {
            }. Matheson Decl. Tab 15, {
     }.
Response by 1-800 Contacts. L.800 Contacts disputes the statements in more
                 Matheson Decl. Tab 15.
18.
       1-800 Contacts entered into an agreement with {
                  }. Matheson Decl. Tab 16, {
      }.
Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 18 as
                                Matheson Decl. Tab 16.
19.
       1-800 Contacts entered into an agreement with {
            }. Matheson Decl. Tab 17, {
     }.
Response by 1-800 Contacts. 1-800 Contacts disputes the etotomante in research 10 and
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} Mat	heson Decl. Tab 17.
20.	1-800 Contacts also entered into a sourcing and services agreement with a contact
lens retailer.	Matheson Decl. Tab 2, Answer 1 20; Tab 18, {
	}. 1-800 Contacts has never sued {
	} for infringement of 1-800 Contacts' trademark rights. 1-800 Contacts did not
enter into the	Spyreing and services agreement to cattle litigation. Mathecan Deal Tak ?
Answer 1 20	- •
Resp	onse by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 20 as
isaasseleta a Yuki	- A
	•
	1-800 Contacts does not dispute that it has never filed litigation against £
	} for infringement of 1-800 Contacts' trademark rights. 1-800 Contacts disputes
the statement	in the final sentence of paragraph 20 to the extent that statement suggests that

21. In total, 1-800 Contacts has entered into at least fourteen agreements with rival contact lens retailers ("Bidding Agreements").



incomplete and misleading, and disputes the characterization of the Settlement Agreements as "Bidding Agreements" as unsupported and inaccurate. As detailed herein, 1-800 Contacts has

Response by 1-800 Contacts: Complaint Counsel cite no evidence or other factual basis for the statements contained in paragraph 23. Nevertheless, for purposes of the present motion only, 1-800 Contacts does not dispute the statements in paragraph 23.

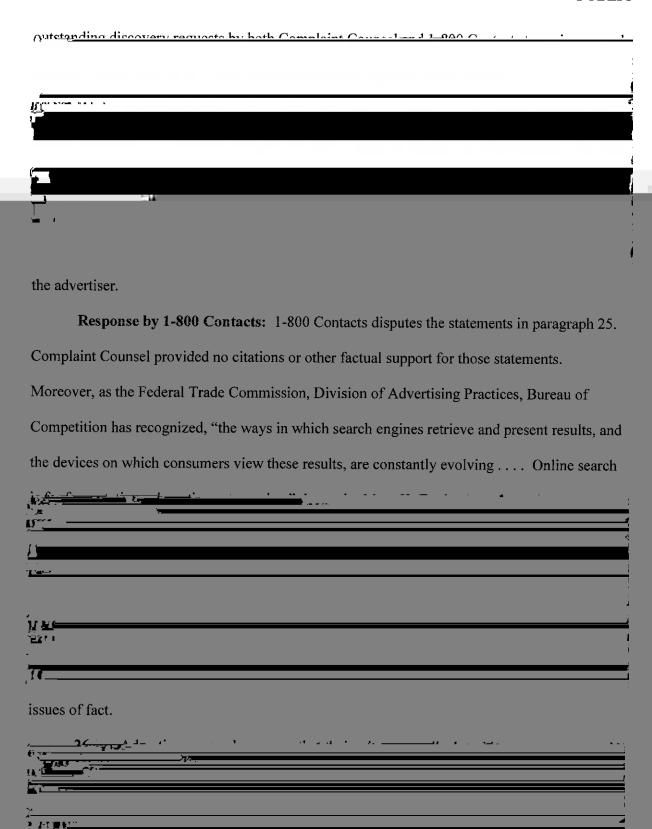
24. Search engines use an auction process to sell advertising space on the search engine results page. Matheson Decl. Tab 1, Compl. ¶ 10; Tab 2, Answer ¶ 10. Advertisers seeking to place advertisements on a search engine results page submit bids to the search engine. A bid denotes the maximum amount the advertiser is willing to pay to the search engine each time a user clicks on a displayed advertisement.

Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 24.

The only support provided for those statements is a citation to paragraph 10 of the Complaint and the corresponding Answer by 1-800 Contacts. 1-800 Contacts did not in its Answer admit the statements in paragraph 24. 1-800 Contacts admitted only "that the process by which some search engine companies currently sell certain types of advertising on their cearch engine results.

page includes variants of certain auction elements." Matheson Decl. Tab 2, Answer ¶ 10.

Complaint Counsel have not cited any other evidence to support the statements in paragraph 24.



contains that particular term or terms. Matheson Decl. Tab 1, Compl. ¶ 13; Tab 2, Answer ¶¶ 13, 24.

Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 26. The only support provided for those statements is a citation to paragraph 13 of the Complaint and the corresponding Answer by 1-800 Contacts. 1-800 Contacts did not in its Answer admit the statements made in paragraph 26. 1-800 Contacts admitted "that some search engines allow an advertiser to specify 'negative keywords.' 1-800 Contacts avers that the advertiser often has options for the effect to be given to negative keywords, and that those options are not explained or even mentioned in paragraph 13 [of the Complaint]. The remaining allegations in paragraph 13 [of the Complaint] are too broad and generalized for 1-800 Contacts to admit, and 1-800 Contacts therefore denies them." Matheson Decl. Tab 2, Answer ¶ 13. Moreover, as the

<u>Federal</u>	Trade Commission	nn Division of	Advertising Practices	Rureau of Competition has	
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recognized, "the ways in which search engines retrieve and present results, and the devices on which consumers view these results, are constantly evolving Online search is far from static, and continues to evolve." Letter by Mary K. Engle, Associate Director (dated June 24,

Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 27
Complaint Counsel provided no citations or other factual support for those statements.
Moreover, as the Federal Trade Commission, Division of Advertising Practices, Bureau of
Comnetition has recognized "the wave in which search angines retrieve and research and recognized the wave in which search angines retrieve and research and recognized the wave in which search angines retrieve and research and recognized the wave in which search angines retrieve and research and recognized the wave in which search angines retrieve and research and recognized the wave in which search angines retrieve and research and recognized the wave in which search angines retrieve and research and recognized the wave in which search are the wave in which search and recognized the wave in which search are the wave in which wave in which we wave in whic
disputed issues of fact.
28. While the Bidding Agreements were phrased in various ways, each required a
1. C1 900.0 / _ / C 1 C 11111 1 200.0
keywords.
Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 28.
Complaint Counsel do not cite to any evidence or other factual support for those statements.
Notably, Complaint Counsel do not cite in support of the statements in paragraph 28 (or the
statements in any other naragraph) any instance in which any of the annual to the
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• {

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} Matheson Decl. Tab 3, {
                                                               }
              {
                     } Matheson Decl. Tab 9, {
               {
                                                            } Matheson Decl. Tab 14, {
                                                                          }.
       Furthermore, the Settlement Agreements contain important exceptions, including a broad
exception for "comparative advertising," that Complaint Counsel ignore in paragraph 28. For
example:
              {
                            }.
              {
                                                                            } Matheson Decl.
              Tab 7, {
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To the extent the Settlement Agreements and the one Contact Lens Sourcing and Services

Agreement prohibited the parties from using each other's trademarks as Internet search keywords

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};

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vithin the scope of the Lanham Act. Rescue	ecom Corp. v. Google Inc., 562 F.3d 123, 130 (2d
	a trademark as a keyword to trigger Internet search

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}; Tab 4, {
}; Tab 7, {
}; Tab 8, {
}.
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Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 29. In fact, the Settlement Agreements in question prohibited the parties from particular, specific, and narrow *uses* of each other's trademarks (brand names and URLs), such as:

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Matheson Decl. Tab 3, {
}

Matheson Decl. Tab 4, {
}

Matheson Decl. Tab 7, {
};

Matheson Decl. Tab 8, {
}.
```

Furthermore, the Settlement Agreements contain important exceptions, including a broad exception for "comparative advertising," that Complaint Counsel ignore in paragraph 29. For example:

17

• {

}

```
Matheson Decl. Tab 4, {
               {
                                                                             } Matheson Decl.
               Tab 7, {
                                                   } {
                               }.
       To the extent the Settlement Agreements at issue prohibited the parties from using each
other's trademarks as Internet search keywords to trigger their own Internet paid search
advertisements, that is a simple and commonplace prohibition on a "use" of the trademark that
the courts specifically and repeatedly have held is within the scope of the Lanham Act
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intention nor the letter of the Lanham Act"): Network Automation Inc v Advanced Sus
Concepts, Inc., 638 F.3d 1137, 1145 (9th Cir. 2011). Thus, such a use is prohibited by federal
trademark law if, for example, it is "likely to cause confusion, or to cause mistake, or to deceive
as to the affiliation, ... or as to the origin, sponsorship, or approval of ... goods [or] services."
                   }. Matheson Decl. Tab 9, {
                                                    }; Tab 10, {
                                    }; Tab 11, {
                      }; Tab 12, {
         ; Tab 13, {
                                                                                            };
Tab 15, {
                                                                           }; Tab 16, {
                                                            }.
       Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 30.
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narrow uses of each other's trademarks (brand names and URLs), such as: {

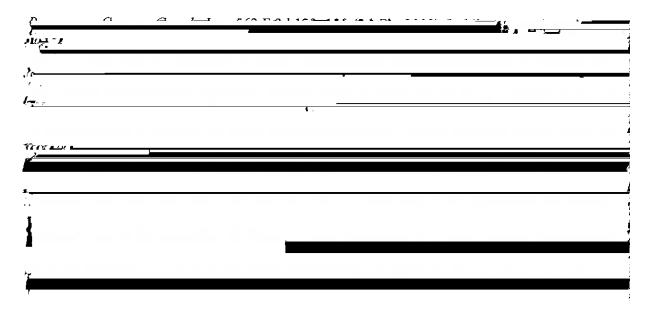
Furthermore, the Settlement Agreements at issue contain important exceptions, including a broad exception for "comparative advertising," that Complaint Counsel ignore in paragraph 30. For example: {

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} Matheson Decl. Tab 9, {}. See also Tab 10, {}; Tab 11, {
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}; Tab 12, {
     }; Tab 13, {
     }; Tab 15, {
}; Tab 16, {
}.
```

To the extent the Settlement Agreements at issue prohibited the parties from using each other's trademarks as Internet search keywords to trigger their own Internet paid search advertisements, that is a simple and commonplace prohibition on a "use" of the trademark that the courts specifically and repeatedly have held is within the scope of the Lanham Act.



31. Two of the Bidding Agreements prohibit a rival of 1-800 Contacts from purchasing or using any of 1-800 Contacts' trademarks, variations on 1-800 Contacts' trademarks, or 1-800 Contacts' URLs, as listed in an exhibit to the agreement, as triggering keywords in any internet search advertising campaign. Matheson Decl. Tab 14, {

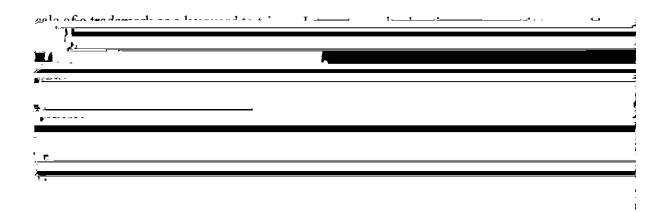
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}; Tab 17, {
}.
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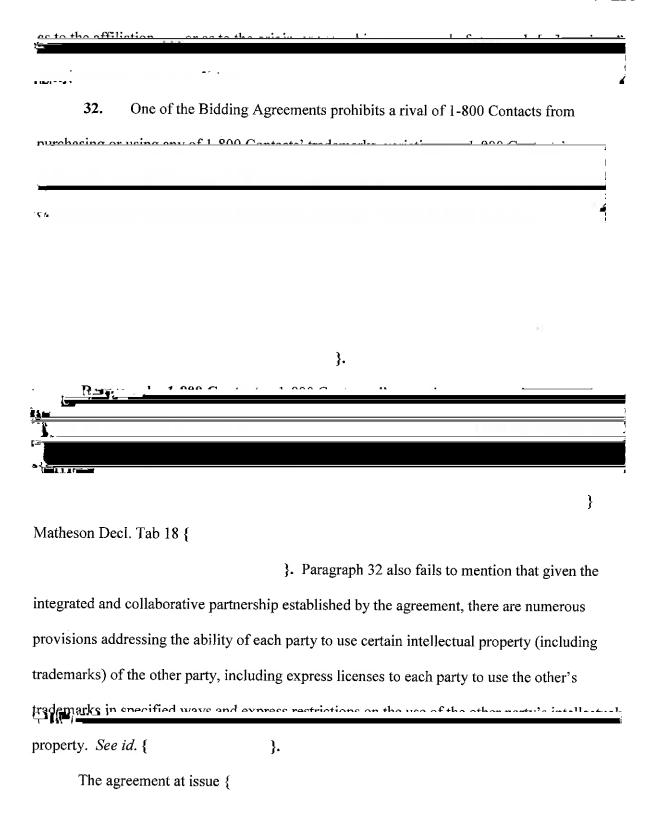
Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 31. In fact, the Settlement Agreements at issue prohibited the parties from particular, specific, and narrow uses of each other's trademarks (brand names and URLs), such as: {

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} Matheson Decl. Tab 14, {}. See also Tab 17, {}.
```

To the extent the Settlement Agreements at issue prohibited the parties from using each other's trademarks as Internet search keywords to trigger their own Internet paid search advertisements, that is a simple and commonplace prohibition on a "use" of the trademark that the courts specifically and repeatedly have held is within the scope of the Lanham Act.

Rescuecom Corp. v. Google Inc., 562 F.3d 123, 130 (2d Cir. 2009) (holding a search engine's





} Id. {

}. To the

extent the agreement at issue prohibits the parties from using each other's trademarks as Internet search keywords to trigger their own Internet paid search advertisements, that is a simple and commonplace prohibition on a "use" of the trademark that the courts specifically and repeatedly have held is within the scope of the Lanham Act. *Rescuecom Corp. v. Google Inc.*, 562 F.3d 123, 130 (2d Cir. 2009) (holding a search engine's sale of a trademark as a keyword to trigger Internet search advertisements must be covered by the Lanham Act otherwise "operators of search engines would be free to use [others'] trademarks in ways designed to deceive and cause consumer confusion," which "is surely neither within the intention nor the letter of the Lanham Act"); *Network Automation, Inc. v. Advanced Sys. Concepts, Inc.*, 638 F.3d 1137, 1145 (9th Cir. 2011). Thus, such a use is prohibited by federal trademark law if, for example, it is "likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, . . . or as to the origin,

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implement negative keywords.

Response by 1-800 Contacts: 1-800 Contacts disputes the statement contained in paragraph 33 in part because the Settlement Agreements cannot reasonably be referred to as "Bidding Agreements" given their terms, and because the statement is incomplete. The evidence at trial will show that the Settlement Agreements contain the referenced provisions in large part because Google had advised 1-800 Contacts (and, presumably, other trademark holders) that

negative keywords could be employed as "negating tools" in order to "control third parties bidding on – specifically on trademarked terms." Perry Decl., ex. DD (11/15/2016 Dep. Tr. of Josh Aston (former employee of Respondent responsible for paid search advertising in 2004) at

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}. Matheson Decl. Tab

9, {

}; Tab 10, {

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}; Tab 11, {
                           }; Tab 12, {
        }; Tab 13, {
        }; Tab 15, {
   }; Tab 16, {
}.
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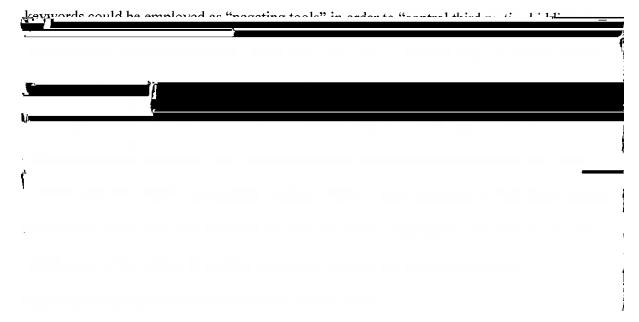
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links triggered by those keywords. The list includes 1-800 Contacts' trademarks, variations on 1-800 Contacts' trademarks, and 1-800 Contacts' URLs. These Bidding Agreements were reached between 1-800 Contacts and {

}. Matheson Decl. Tab 7, {

}; Tab 8, { }.

Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 35 in part because the Settlement Agreements cannot reasonably be referred to as "Bidding Agreements" given their terms, and because the statement is incomplete. The evidence at trial will show that the Settlement Agreements contain the referenced provisions in large part because Google had advised 1-800 Contacts (and, presumably, other trademark holders) that negative



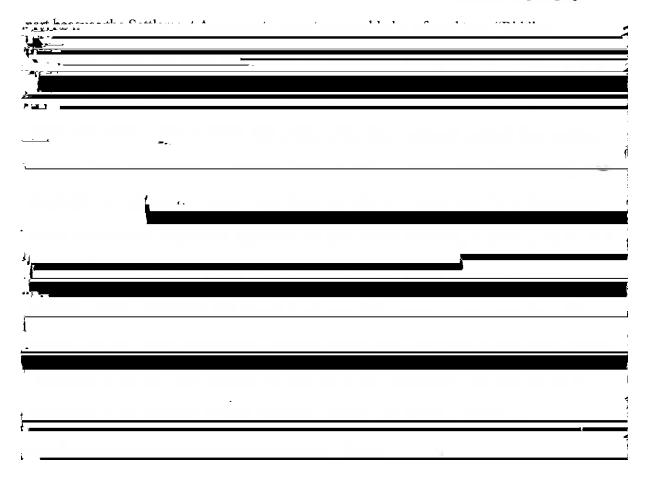
36. Two Bidding Agreements require a rival of 1-800 Contacts to implement terms listed in an exhibit to the agreement as negative keywords in all search engine advertising

Comparisons—The list includes 1,900 Governor and 1,000 Governor and

}; Tab 17, {

}.

Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 36 in



28

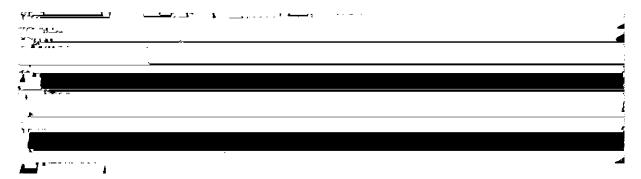
37.	One Bidding Agreement required a rival of 1-800 Contacts to agree to entry of a
stipulated pe	ermanent injunction. Matheson Decl. Tab 5, {
	}. The injunction requires the rival, for the purpose of
nreventing fl	he rival's internet advertising from anneazing in response to a search for 1 200
, y = =	
*	
	-
Contacts and	1 { }. Id. {
	}; Tab 6, CX0316 at
-004 (Order o	of Permanent Injunction, Exhibit A) (listing trademark terms and variations).
Resp	onse by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 37 in
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(morning session). See also id., ex. EE (11/15/2016 Dep. Tr. of Josh Aston at 35:3-44:7)
(afternoon session) (testifying that Google employees had proposed or instructed that 1-800
Contacts (and Mr. Aston's subsequent employer) inform other companies to "add those specific
}.
Response by 1-800 Contacts: 1-800 Contacts disputes the statements in paragraph 38 in
narthecause the Settlement Acroaments connet resconship he referred to as "D:11:
y 17 <u></u>

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ontacts (and M	1r. Aston's subsequen	t employer) inform	n other companies to "ad	d those speci
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occurred. As a consequence, Respondent bears no burden under the Federal Rules or the Commission's Rules to come forward at this time with contrary evidence. Out of an abundance of caution, however, Respondent responds as follows.

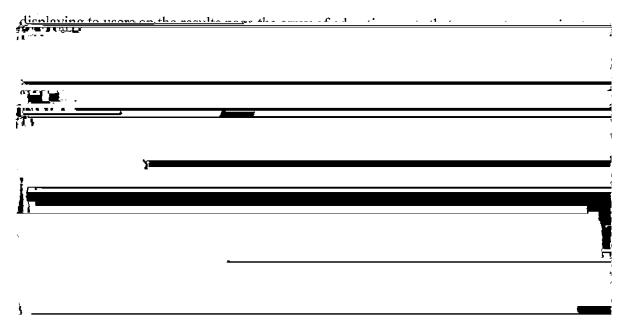
Paragraph 31 of the Complaint alleges, for example, that the Settlement Agreements



} Id. at 8. Thus, the impact

of such a restraint, if any, is marginal. Id. at 3.

The Complaint further alleges injury from "[p]reventing search engine companies from





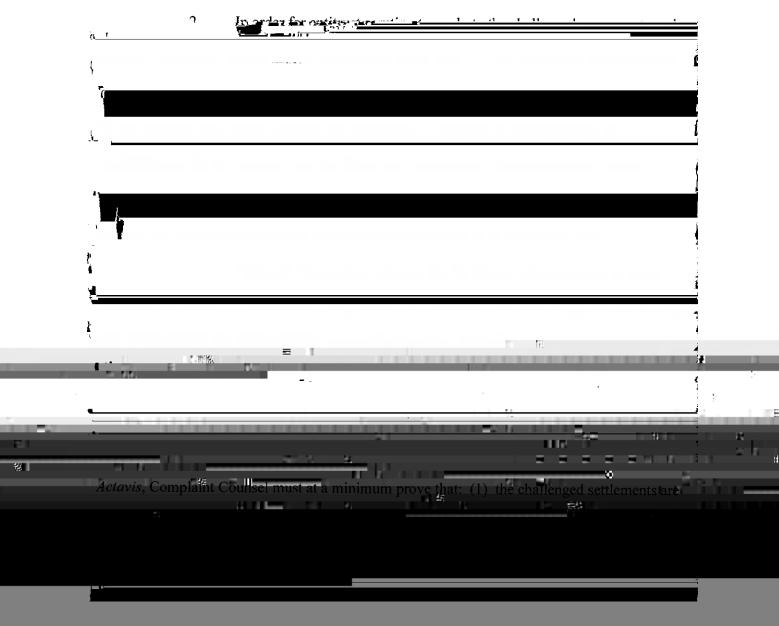
indicia of navigational queries).⁵ After all, a "consumer entering a navigational query would expect the most prominent link presented to her to be for her desired website," not for a

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of fact addressed in Part I of this submission; that discussion is incorporated here by this reference.

- A. Complaint Counsel Have Not Met Their Burden Under *Actavis* To Present Evidence Proving That The Challenged Settlement Agreements Are Subject To Antitrust Scrutiny
- 1. Complaint Counsel's Motion For Partial Summary Decision asks the Commission to "find that the agreements challenged here are subject to antitrust scrutiny"

 Mem. of Law at 6.



and is an enforceable promise."); see also Orion Bancorp, Inc. v. Orion Residential Fin., LLC, 2008 WL 816794, at *3 (M.D. Fla. 2008) (enjoining use of trademarks in internet keyword advertising); MasterCard Int'l Inc. v. Trehan, 629 F. Supp. 2d 824, 833 (N.D. Ill. 2009) (same); Glob. Tel-Link Corp. at *1 (same).

tuation); { } (Ex. X to Perry Decl.); { } (Tab 6 to Matheson Decl.); Edible transements LIC v Provide Commerce Inc. 2016 WI 4074121 (D. Copp. 2016); Clob. 3	Éstu									
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The deadline for completing expert discovery is March 20, 2017. Scheduling Order, issued September 7, 2016, at 2-3.

/s/ Gregory P. Stone
Gregory P. Stone

Dated: November 16, 2016

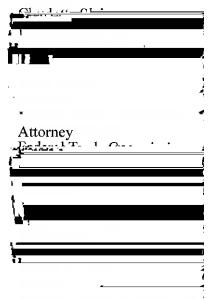
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Nathaniel Hopkin Attorney Federal Trade Commission nhopkin@ftc.gov Complaint

Charles A. Loughlin Attorney Federal Trade Commission

cloughlin@ftc.gov Complaint

Daniel Matheson Attorney Federal Trade Commission dmatheson@ftc.gov Complaint



cslaiman@ftc.gov Complaint

Mark Taylor Attorney Federal Trade Commission mtaylor@ftc.gov Complaint

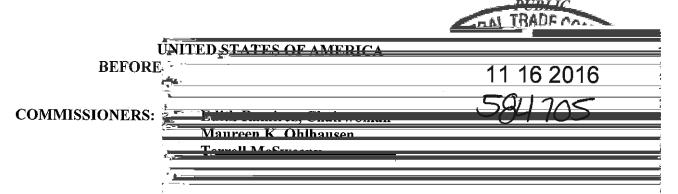
Gregory P. Stone Attorney Munger, Tolles & Olson LLP gregory.stone@mto.com Respondent

Steven M. Perry Attorney Munger, Tolles & Olson LLP steven.perry@mto.com Respondent Justin.Raphael@mto.com Respondent

Sean Gates Charis Lex P.C. sgates@charislex.com Respondent

Mika Ikeda Attorney Federal Trade Commission mikeda@ftc.gov

Gregory Stone Attorney



In the Matter of

1-800 CONTACTS, INC., a corporation

Docket No. 9372

MEMORANDIM OF LAW OF DECRONDENCE 1 900 CONTACTO THE TH

Gregory P. Stone
Garth T. Vincent
MUNGER, TOLLES &OLSON LLP
355 South Grand Avenue, 35th Floor
Los Angeles, California 90071
Pharma (212) (82,0100)

Phone: (213) 683-9100 Fax: (213) 687-3702

[Additional counsel are listed at the end of the brief]

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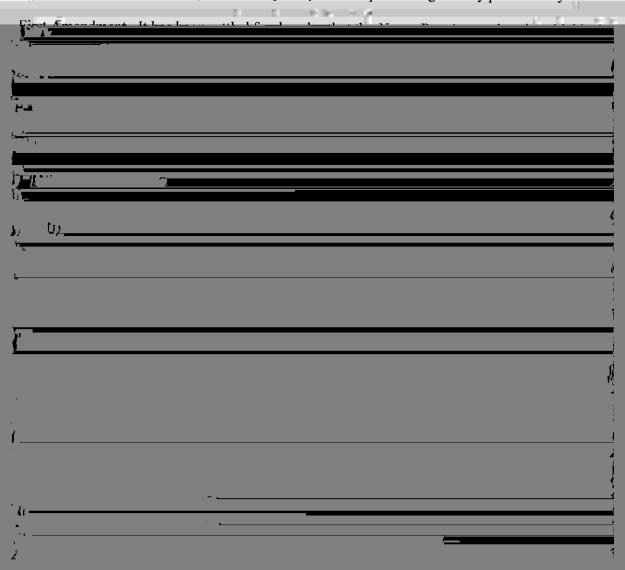
I. <u>INTRODUCTION</u>

Complaint Counsel's Motion for Partial Summary Decision should be denied for two

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the same litigation and pre-litigation activity alleged throughout their Complaint. *See* Compl. at 9 (Nos. 2-5).

The Complaint's allegations thus plainly include petitioning activity protected by the



Such relief would be a prior restraint in violation of the First Amandment See Since Bear

A. The *Noerr-Pennington* Doctrine Protects Litigation and Pre-Litigation Activity

Because "[t]he right of access to the courts is ... but one aspect of the right to petition," the *Noerr–Pennington* doctrine provides antitrust immunity based on the filing of a lawsuit. *California Motor Transport Co. v. Trucking Unlimited*, 404 U.S. 508, 510 (1972). So long as the litigation is not a "sham," it is immunized under *Noerr-Pennington*. *See Prof'l Real Estate Inv'rs v. Columbia Pictures*, 508 U.S. 49, 60 (1993). For litigation to qualify as "sham," an antitrust plaintiff must prove *both* that (1) the litigation was "objectively baseless in the sense that no reasonable litigant could realistically expect success on the merits" and (2) that the lawsuit was brought for a subjectively anticompetitive purpose. *Id*.

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policy." Hovenkamp, et al., IP and Antitrust: An Analysis of Antitrust Principles Applied to Intellectual Property Law § 11.3 (2d. ed., 2015 Supp.).

B. The Complaint Challenges Plainly Protected Conduct

Complaint Counsel do not dispute that Noerr-Pennington protects the filing of non-

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Paragraph 27 alleges that Respondent undertook all of these actions "without

infringed 1-800 Contacts' trademarks."

Tying these allegations together, Paragraph 31 charges that "Respondent's conduct, as alleged herein, had the purpose, capacity, tendency, and likely effect of restraining competition unreasonably and injuring consumers and others" in several ways.

All of these allegations target protected petitioning activity. Respondent's lawsuits fall squarely within *Noerr-Pennington*. Its cease-and-desist letters and threats to sue are incidental to litigation and fully protected. And its efforts to enforce settlement agreements are equally protected under *Noerr-Pennington*, because a threat to sue based on a settling party's continued

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Pharms., Inc., (2013) (No. 12-416), 2013 WL 26/027; see also id. at 25 (acknowledging that a
patent holder's "good-faith effort to enforce its patent through litigation cannot subject it to
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competition").
Actavis reaffirmed that settlement agreements are subject to antitrust scrutiny only in
limited discosions. A calc Count conference (GPT) and (G
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outcomes.⁷ The resolution of trademark disputes is to be encouraged.⁸ Unlike reverse payments,



III. CONCLUSION

For the foregoing reasons, Complaint Counsel's Motion for Partial Summary Decision should be denied.

⁷ E.g., Rescuecom Corp. v. Google Inc., 562 F.3d 123 (2nd Cir. 2009) (finding "use in commerce" in analogous situation); {

^{} (}Tab 6 to Matheson Decl.).

E.g., Clorox Co. v. Sterling Winthrop, Inc., 117 F.3d 50, 55 (2d Cir. 1997) (trademark settlements are "favored under the law"); Lebewohl v. Heart Attack Grill LLC. 890 F. Supp. 2d.

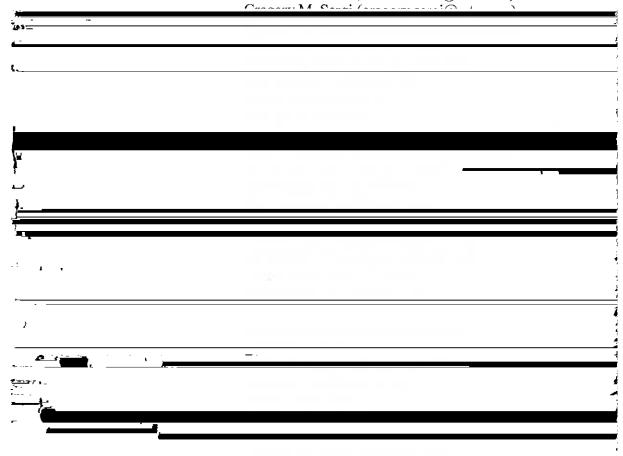
^{278, 301-03 (}S.D.N.Y. 2012) (approving a concurrent non-use settlement agreement with territorial restrictions in the absence of current confusion and encouraging litigants to "work together to try to resolve their differences cooperatively").

⁹ E.g., Clorox Co., 117 F.3d at 56 ("A trademark, unlike other intellectual property rights, does not confer a legal monopoly on any good or idea; it confers rights to a name only.")

DATED: November 16, 2016 Respectfully submitted,

/s/ Gregory P. Stone

Gregory P. Stone (gregory.stone@mto.com)
Steven M. Perry (steven.perry@mto.com)
Garth T. Vincent (garth.vincent@mto.com)
Stuart N. Senator (stuart.senator@mto.com)



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CERTIFICATE OF SERVICE

I hereby certify that on November 16, 2016, I filed the foregoing document using the FTC's E-Filing System, which will send notification of such filing to:

Donald S. Clark Secretary Federal Trade Commission 600 Pennsylvania Ave., NW, Rm. H-113 Washington, DC 20580

The Honorable D_Micheel Channell

Administrator F T_

Federal Trade Commission 600 Pennsylvania Ave., NW, Rm. H-110 Washington, DC 20580

I also certify that I served via electronic mail a copy of the foregoing document on:

 $\frac{CERTIFICATE\ FOR\ ELECTRONIC\ FILING}{\text{Thomas}\ H.\ Brock}, \textit{tbrock}(\textit{aftc},\textit{gov})$

Barbara Blank, bblank@ftc.gov

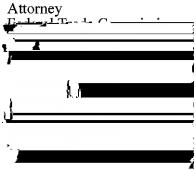
Notice of Electronic Service

I hereby certify that on November 16, 2016, I filed an electric Respondent 1-800 Contacts. Inc. In Opposition to Complete	ronic copy of the foregoing Memorandum of Law of nt Counsel's Motion for Partial Summers Decision _
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D. Michael Chappell Chief Administrative Law Judge	
600 Pennsylvania Ave., NW Suite 110	
Washington, DC, 20580	
Donald Clark 600 Pennsylvania Ave., NW	
Suite 172 Washington, DC, 20580	
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Federal Trade Commission nhopkin@ftc.gov Complaint

Charles A. Loughlin Attorney Federal Trade Commission cloughlin@ftc.gov Complaint

Daniel Matheson



dmatheson@ftc.gov Complaint

Charlotte Slaiman Attorney Federal Trade Commission cslaiman@ftc.gov Complaint

Mark Taylor Attorney Federal Trade Commission mtaylor@ftc.gov Complaint

Gregory P. Stone Attorney

Munger, Tolles & Olson LLP

Respondent

Steven M. Perry Attorney Munger Tolles & Olson LLP Sean Gates Charis Lex P.C. sgates@charislex.com Respondent



Gregory Stone Attorney