PUBLIC

## UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

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In the Matter of	Docket No. 9372

### UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

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1-800 CONTACTS, INC., a corporation

Docket No. 9372

[PROPOSED] ORDER GRANTING COMPLAINT COUNSEL'S MOTION FOR LEAVE TO FILE REPLY TO RESPONDENT'S OPPOSITION TO COMPLAINT COUNSEL'S MOTION TO BAR PRESENTATION OF TESTIMONY AND ARGUMENTS CONTRADICTING CERTAIN ISSUES RESPONDENT LITIGATED AND LOST IN 1-800 CONTACTS V. LENS.COM

On February 9, 2017, Complaint Counsel filed a Motion for Leave to File a Reply to

# UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

In the Matter of

1-800 CONTACTS, INC., a corporation

Docket No. 9372

# COMPLAINT COUNSEL'S REPLY BRIEF IN FURTHER SUPPORT OF ITS MOTION TO BAR PRESENTATION OF TESTIMONY AND ARGUMENTS CONTRADICITING CERTAIN ISSUES RESPONDENT LITIGATED AND LOST IN 1-800 CONTACTS V. LENS.COM

Complaint Counsel respectfully submits this brief in order to address two issues raised by Respondent's Opposition: (1) Respondent's mischaracterization of the *Lens.com* decision; and (2) Respondent's mischaracterization of the issues presented by Complaint Counsel's motion for issue preclusion.

*First*, Respondent mischaracterized the central holding of *Lens.com*. Respondent *twice* quotes the Tenth Circuit as stating: "[O]ne who searches for a particular business with a strong mark and sees an entry on the results page will naturally infer that the entry is for that business." Opp. at 2 (quoting *1-800 Contacts, Inc. v. Lens.com, Inc.*, 722 F.3d 1229, 1245 (10<sup>th</sup> Cir. 2013)); *id* at 8.<sup>1</sup> The Tenth Circuit actually stated:

*Perhaps in the abstract*, one who searches for a particular business with a strong mark and sees an entry on the results page will naturally infer that the entry is for

<sup>&</sup>lt;sup>1</sup> The only statement made regarding Respondent's agreements with rivals was the District Court of Utah's observation: "Were this actually an ag

for Respondent's mark is not always or inherently likely to cause consumer confusion"), asserting that Complaint Counsel seeks a "general finding" that *no ad* could be confusing. *See* Opp. at 8. This argument attacks a straw man.

Complaint Counsel has never suggested that it would be impossible for Respondent to prove that *any* rival ad is confusing. *See* Motion at 8 (explicitly recognizing that motion would "not preclude Respondent from presenting any such evidence"). Rather, Complaint Counsel contends – based on the explicit and central holding of *Lens.com* – that the appearance of a rival ad against a query for "1-800 Contacts" is not

# Respectfully submitted,

/s/ Daniel J. Matheson
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Dated: February 9, 2017

#### **CERTIFICATE OF SERVICE**

I hereby certify that on February 9, 2017, I filed the foregoing documents electronically 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. Michael Chappell Administrative Law Judge Federal Trade Commission 600 Pennsylvania Ave., NW, Rm. H-110 Washington, DC 20580

I also certify that I delivered via electronic mail a copy of, R5 -2.3 Td6

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