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VIA EMAIL ONLY: (dscales@linuxfoundation.org)

Daniel Scales, Esq.
Linux Foundation

Re: NATS.IO Trademark
Our Ref.: 74604-422072

Dear Mr. Scales:

Our firm acts as outside counsel to Synadia Communications Inc. (“Synadia”) in intellectual property matters. We understand that the Cloud Native Computing Foundation (the “CNCF”) has expressed the view that the CNCF has ownership rights to the NATS.IO trademark.

Contrary to what CNCF may believe, the Foundation does not have any ownership rights – common-law or otherwise – to the NATS or NATS.IO trademark (the “NATS Mark”). Under the Lanham Act, exclusive rights to a trademark are awarded to the first to use it in commerce. Apcera, Inc. (“Apcera”), was the first to use the NATS Mark in 2016. Both trademark applications for the NATS Mark were filed with the USPTO by Apcera on October 11, 2016, and assigned to Synadia Communications Inc., *nunc pro tunc*, effective as of December 11, 2017.

Pursuant to 15 U.S.C. §1060, a trademark assignment must be in writing, and the trademark(s) must be assigned with the good will of the business with which the mark is used. At no point has Synadia made an assignment to the CNCF. Indeed, such an assignment would have been inappropriate, as the owner of a trademark should be the party who controls the nature and quality of the goods and services used in connection with the brand. At all times, Synadia (or Apcera) has been the only party controlling the nature and quality of the NATS.IO software.

Synadia acknowledges that the CNCF is currently listed as the registrant for the nats.io domain registration, and that there are certain CNCF personnel who are administrators on the nats.io code repository on GitHub. However, the law is well settled that ownership of a domain name does not establish trademark rights; rather, it is the content of an associated website that may create trademark rights. In practice, (1) the content of the website at nats.io has at all times been controlled by Synadia (or its predecessor Apcera), and (2) all decisions regarding acceptance of contributions to the nats.io code repository have been made solely by Synadia (or Apcera).

Apcera and Synadia made all decisions and paid all legal fees associated with filing and prosecuting the trademark applications for the NATS Mark, including defending and ultimately settling an opposition proceeding.

Every step of the way, Synadia has consistently acted exactly as a trademark owner should – it has invested in securing registration of its trademarks, defended challenges to the same, and maintained sole quality control. As such, there is no question that Synadia is the sole and exclusive owner of the NATS Marks.

Synadia acknowledges that the original intent was to have NATS.io be managed as a standard CNCF project, and for that management to lead to growth of a contributor and user community around the project. In connection with those original discussions, Synadia took certain actions, including giving the CNCF control over the DNS settings for the nats.io domain for purposes of more conveniently managing subdomain-based project marketing activities.

Regardless of these activities, the parties' original intentions manifestly have not come to pass. Over 97% of the contributions to the NATS.io project have been made by employees or contractors of Synadia or Apcera (and, importantly, 100% of the contributions accepted in the project have been accepted based on decisions made by Synadia or Apcera, and, as already noted, all rights to the NATS Mark have remained with Synadia at all times).

Synadia also acknowledges that it entered into a "Participation Agreement" with the CNCF, August of 2018. This agreement was entered into in connection with Synadia's participation in the KubeCon conference that took place later that same year. That agreement does include a reference to the CNCF charter, which includes a statement that "Any project that is added to the CNCF must have ownership of its trademark and logo assets transferred to the Linux Foundation." Even assuming that this language (which, as noted, was included by reference in an agreement entered into in connection with participation in a conference) applies to NATS.io—a contention that Synadia does not agree with—this covenant is not an actual assignment of any rights, and is too vague to be enforceable.

As should be clear, the NATS.io project has failed to thrive as a CNCF project, with essentially all growth of the project to date arising from Synadia's efforts and at Synadia's expense. It is for this reason that ***Synadia requests to end its relationship with the Foundation and receive full control of the nats.io domain name and Github repository within two weeks.*** To the extent that the Foundation has incurred any direct administrative costs associated with the project, such as the fees for domain renewal, Synadia would be happy to reimburse those costs.

We ask that you provide written confirmation that you will comply with the above requests by no later than **April 10, 2025**. The requests contained in this letter are without prejudice to any action or demand which may be made on behalf of our client in the event that further action is required to address this matter.

Sincerely,



Sarah P. Harrell
Barnes & Thornburg LLP

cc: Synadia Communications Inc.
Aaron Fiske