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March 15, 2021

The Hon. David S. Gooder
Commissioner for Trademarks
United States Patent and Trademark Office
P.O. Box 1451
Alexandria, VA 22313-1451

Ms. Amy Cotton
Acting Deputy Commissioner for Trademark Examination Policy
United States Patent and Trademark Office
P.O. Box 1451
Alexandria, VA 22313-1451

Re: Comments Regarding Implementation of the Trademark
Modernization Act

Dear Commissioner Gooder and Acting Deputy Commissioner Cotton:

I write on behalf of the American Bar Association Section of Intellectual Property Law (the “Section”) in response to the United States Patent and Trademark Office’s (“USPTO’s”) invitation for informal comments and questions regarding the implementation of the Trademark Modernization Act. The views expressed herein are presented on behalf of the Section of Intellectual Property Law. They have not been approved by the House of Delegates or the Board of Governors of the American Bar Association and, accordingly, should not be construed as representing the position of the Association.

Since 1894, the ABA-IPL Section has advanced the development and improvement of intellectual property laws and their fair and just administration. As the forum for rich perspectives and balanced insight on the full spectrum of intellectual property law, the Section serves within the ABA as a highly respected voice within the intellectual property profession, before policy makers, and with the public. The ABA-IPL Section membership includes attorneys who represent trademark owners, accused infringers, small corporations, universities, and research institutions across a wide range of industries.

The Section appreciates the opportunity to provide suggestions and comments to the USPTO as it enacts the rules and regulations of the Trademark Modernization Act, including providing flexible deadlines to trademark Office Action responses as well as new expungement and reexamination proceedings.

Flexible Deadlines

Although the Section believes that certain categories of Office Actions warrant the application of the full six-month time period to respond, the Section supports permitting flexible response periods (i.e. periods shorter than six months) for some types of Office Actions issued during the prosecution of trademark applications. However, the Section has concerns regarding the circumstances in which shorter time periods to respond might apply, and the procedures and costs for seeking extensions of those deadlines. For the sake of consistency, the Section asks that the USPTO shorten Office Action deadlines on specific refusals (e.g., procedural refusals), instead of giving an Examining Attorney discretion to shorten the standard six month period on a case-by-case basis. Where the Office Action contains multiple refusals, the Section recommends that the applicant be provided six months to respond and that the Office Action not apply different deadlines to different parts of the Office Action response.

Trademark Office Actions issued by USPTO Examining attorneys can have a wide range of complexity. Often, issues that may seem minor, such as changes to the identification of goods and/or services, may require extensive legal analysis to ensure that the applicant's rights are not prejudiced. While applicants and their attorneys may respond to some Office Actions quickly, there are circumstances in which applicants need the full six months to respond. In particular, many members of the Section recommend that the USPTO provide a full six-month period to respond to any substantive Office Action by default, including, but not limited to refusals where the applied-for mark is refused on the grounds that:

- it consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive (Section 2(d) of the Lanham Act);
- it is merely descriptive or deceptively misdescriptive (Section 2(e)(1) of the Lanham Act);
- when used on or in connection with the goods of the applicant, it is primarily geographically descriptive of them (Section 2(e)(2) of the Lanham Act);
- it is primarily geographically deceptively misdescriptive (2(e)(3) of the Lanham Act);
- it is primarily merely a surname (2(e)(4) of the Lanham Act);
- it comprises any matter that, as a whole, is functional (2(e)(5) of the Lanham Act);
- it has not acquired distinctiveness (Section 2(f) of the Lanham Act);
- it consists of or comprises immoral, deceptive, or scandalous matter; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute (Section 2(a) of the Lanham Act);

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- it consists of or comprises the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof. (Section 2(b) of the Lanham Act);
- it consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow. (Section 2(c) of the Lanham Act);
- it is generic;
- it fails to function as a trademark; or
- it does not meet the requirements to amend to the Supplemental Register.

The Section also recommends that the USPTO permit the full six months to respond to any Final Office Action, regardless of basis, to ensure that the applicant or registrant has adequate time to file a Request for Reconsideration and/or prepare an appeal to the Trademark Trial and Appeal Board.

For Office Actions in which the USPTO provides less than a full six-month period to respond, the Section recommends that applicants be permitted to obtain a full six months to respond by filing a *single* extension request instead of multiple, month-by-month extensions. The Section also proposes that there be no fee for filing extensions of time to respond to an Office Action. If the USPTO does put a fee structure into place to extend deadlines, the Section recommends that the fees for seeking the full six-months to respond remain proportional to the minimal costs to the USPTO in managing and processing an extension filing. The Section also recommends that the minimum time period to respond to an Office Action be at least three months in length.

Further, there will be situations in which applicants unintentionally miss deadlines. Regardless of the response time set by the USPTO, the Section asks that USPTO maintain the 60-day period following the Notice of Abandonment of an application to file a petition to revive the application.

The Section asks that the USPTO provide deadlines that are as consistent as possible to avoid possible loss of rights to trademark owners both in the U.S. and abroad and that the applicable deadline be explicitly identified in the Office Action.

Expungement and Reexamination Proceedings

The Trademark Modernization Act contemplates two new proceedings that require the USPTO's promulgation of rules and regulations: trademark expungement and reexamination proceedings. The Section has concerns over the evidence necessary to both enact and defend such a proceeding and suggestions to reduce potential bad-faith abuse of these procedures.

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Quality and Quantum of Evidence to Enact a Proceeding

The Section asks that the USPTO carefully consider the evidence required to support a *prima facie* case that would cause the Director to institute proceedings for either expungement or reexamination. The Trademark Modernization Act requires petitioners to include evidence of a “reasonable investigation.” The Section asks that the proposed regulations provide specific examples of evidence (*e.g.* internet searches, telephone calls to the registrant, independent investigations, etc.) that would be sufficient to support a “reasonable investigation” depending on the nature of the goods and services included in the registration and the fields or industries in which they are provided and how that evidence should be provided to the USPTO (*e.g.* a transcript, declaration, etc.).

Further, the Section seeks clarification as to the quantum and quality of evidence that would be necessary for a registrant to meet its burden to prove use of the mark on challenged goods/or services. The Section welcomes detailed guidance from the USPTO on the nature, quality, and quantity of evidence needed to enact and defend these proceedings.

The USPTO is dealing with an influx of fraudulent and doctored specimens. If the expungement proceeding requires the respondent to provide additional specimens, then it is likely that the same bad actors that create fraudulent specimens also will fabricate evidence of use. The Section recommends requiring expungement respondents to provide a statement about the nature of these sales, describing trade channels, and identifying the date of first use for each good or service challenged. While the USPTO cannot be responsible for verifying these items, it will at least provide third-parties with additional information when deciding whether to bring abandonment, non-use, expungement, or fraud claims with the Trademark Trial and Appeal Board. The Section also requests that the outcome of the proceedings and documents and information submitted by the petitioner and registrant be made available to the public, such as the prosecution history available through the Trademark Status & Document Retrieval.

Finally, the Section’s members often look to the USPTO’s examination guides, the Trademark Manual of Examining Procedure, and the Trademark Trial and Appeal Board Manual of Procedure to provide these examples. As these proceedings would be outside of the examination and TTAB operations, the Section seeks guidance on where these resources will be available and the individual(s) responsible for creating and maintaining these resources.

Multiple Proceedings by the Same Petitioner Against the Same Mark

The Section understands that once specific goods and services have been subject to an expungement or reexamination proceeding, those goods and services would not be subject to the same proceeding in the future.

However, the Section is concerned with a potentially-abusive situation wherein a petitioner serially files proceedings that methodically target different goods and services within a registration in each proceeding. Under this scenario, one expungement petitioner could file multiple proceedings over time addressing different groups of goods and services to maximize the burden on a trademark owner to meet new requirements and deadlines each time the USPTO enacts a new expungement proceeding.

The Section recommends that a petitioner be required, at the very least, to sign a sworn statement that, to its knowledge at that time, no other grounds for expungement or reexamination exists or, if additional grounds do exist, that the petitioner does not intend to bring additional requests for expungement or reexamination against the targeted registration. As discussed below, the Section believes that the Director should have the authority to consider such sworn statements in order to determine whether to bar a petitioner from pursuing the institution of subsequent proceedings if the Director determines that the petitioner has filed proceedings in an abusive manner.

Fees & Timing

The Section believes that the fees to implement an expungement proceeding should be reasonable to encourage the use of the proceeding. To do that, the Section recommends a fee less than the \$400 per class (after \$200 per class refund) government fee necessary to file a Petition to Cancel a trademark registration for non-use. Also, the Section recommends procedures that would allow for an expungement or reexamination proceeding to be completed in less time required to seek default judgment through the TTAB on the grounds of non-use (or expungement.) The Section understands that additional time may be necessary in a contested proceeding, but asks the USPTO to enact procedures that would allow for a swift disposition of the proceeding where no response is received from the respondent.

U.S. Counsel Rule

To help maintain the validity of the process, the Section recommends that the U.S. attorney rule, wherein foreign applicants must be represented by U.S. counsel, apply for filing these petitions and responding to them. The expansion of this rule will ensure a level of accountability in these proceedings.

Director's Authority to Limit Petitions

The Section understands that it is impossible to predict how various groups will utilize these proceedings and whether the process could be weaponized by disgruntled third parties through fabricated evidence or false statements. The Section recommends that regulations provide the Director with the authority to bar petitions by specific petitioners in the event that the Director determines that the petitioner has filed proceedings in bad faith.

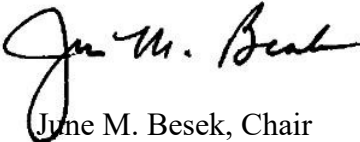
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Forum to Bring Evidence to the Director's Attention

In addition to allowing for third-party petitions for expungement, the TMA permits the Director to implement these proceedings *sua sponte*. The Section recommends that the Director provide a forum for parties to report evidence of non-use that would allow the Director to initiate, in the Director's discretion, a proceeding *sua sponte*.

The Section commends the Office for its consideration of these issues and highly appreciates the opportunity to offer these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "June M. Besek". The signature is written in a cursive style with a large initial "J".

June M. Besek, Chair
ABA Section of Intellectual Property Law