



American Intellectual Property Law Association

February 3, 2021

The Honorable David Gooder
Commissioner for Trademarks
P.O. Box 1451
Alexandria, VA 22313-1451
Via email: TMFeedback@uspto.gov

RE: Comments re Implementation of the Trademark Modernization Act

Dear Commissioner Gooder:

AIPLA thanks the U.S. Patent and Trademark Office for soliciting comments on the implementation of the Trademark Modernization Act (“TMA”), and for this opportunity to express our views on the topic.

AIPLA is a national bar association of approximately 8,500 members that include trademark attorneys and trademark owners, as well as other IP professionals engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. Our mission includes helping to establish and maintain fair and effective laws and policies that allow all trademark stakeholders to protect their marks in an efficient, reasonable, and cost-effective manner.

Our comments below address three aspects of the TMA: general comments, comments on flexible response times; and comments regarding ex parte expungement and ex parte reexamination proceedings.

1. General Comments

The ultimate implementation of the TMA raises multiple issues that need to be addressed and various issues that should be considered as the Director determines how to implement the TMA. In addition, AIPLA requests more detailed guidance from the Office on aspects of the TMA.

AIPLA understands that one of the primary reasons the TMA was passed is to improve the accuracy of the Register so that it reflects marks in use and does not contain registrations that should not be maintained or should not have been granted in the first place, for example, due to fake specimens,

other fraud, or error. AIPLA agrees that this is a laudable goal, and requests that the Director provide ample guidance to all parties that will be impacted by the new provisions set forth in the TMA.

2. Flexible Response Periods.

AIPLA has regularly advocated for a shorter response period to Office Action refusals that include only ministerial or procedural objections. What constitutes a ministerial or procedural objection should not be left to the Examining Attorney's discretion, but should be defined, in advance, by the Director. Similarly, any refusal that includes a substantive objection should be allowed the full six-month response period as these issues are often complex and require further time for gathering information and documentation to support any arguments in response to the refusal. What constitutes a substantive refusal should be defined by the Director and included in any notice of proposed rulemaking for comment.

AIPLA notes that it may be easier to define ministerial refusals and apply the shortened response time to these refusals only. For example, each of the following ministerial refusals typically should not require a full six months for which to respond: requiring that U.S. counsel be appointed; requiring the submission of signed or correct declarations; requiring missing applicant information; and requiring color claims in, or descriptions of, the mark covered by the application.

The creation of a new, shorter, non-substantive Office Action response time will create docketing issues for practitioners and added expenses to clients; therefore, there should be only one designated shorter response period for responding to Office Action refusals that do not include a substantive objection. This shortened time-period should be adequate to address typical non-substantive Office Action refusals issued by the USPTO.

For applicants that cannot comply with the shortened response deadline, the Director should provide for one single extension request of the deadline up to the full six months. One request, rather than the possibility of multiple requests, would assist practitioners with the docketing issues that new deadlines will create. The cost of any extension request should be nominal for the following reasons: (1) applicants should not be penalized for needing more time to respond to Office Action refusals; and (2) the extension request should require no substantive examination by the USPTO. Therefore, this extension request should not be used as a basis for recapturing fees.

3. Ex Parte Expungement and Ex Parte Reexamination Proceedings.

a. General. As an initial matter, the USPTO should make clear that the trademark file history of the challenged registration is automatically of record once the expungement or reexamination proceeding is initiated. Any documentation in the file history can be used by either the petitioner or the registrant during the proceeding. In addition, the USPTO should make it clear whether the Federal Rules of Evidence apply in the proceeding and whether hearsay will be considered, even though the USPTO may afford it less weight.

b. Reasonable Investigation by Petitioner/What Constitutes a Prima Facie Case? AIPLA seeks further guidance on what constitutes a reasonable investigation by petitioner and what constitutes a prima facie case. Although the House Committee Report states that generally, “it is not expected that the results of a single internet search-engine search would be sufficient to support a prima facie case” in either proceeding, there is no guidance regarding the additional showing that is generally expected. AIPLA encourages the USPTO to identify possible nonexclusive factors or examples of the types of documentation that might establish a prima facie case. If the types of documentation are different based on specific industries or specific goods or services, AIPLA welcomes examples of the types of documentation required in each instance.

If the USPTO finds that petitioner’s submissions do not establish a prima facie case, will the Office provide reasons for the determination to the petitioner? This may be helpful to the petitioner if it chooses to file a new petition with supplemented documentation to support a prima facie case against the registration. Also, will there be any opportunity for a petitioner or registrant to amend their submissions as a matter of right prior to an evaluation of their adequacy?

Will the prima facie determination vary between proceedings? For example, in a reexamination proceeding, can a prima facie showing be made by an assertion that the specimen shown in the file history for a class of goods or services is an improper specimen, along with a statement that provides the bases for this assertion? Can this evidence support a prima facie case against all the goods or services in the challenged class?

c. Showing Necessary to Rebut a Prima Facie Case of Nonuse. AIPLA remains concerned that the TMA does not clearly define the burden faced by a registrant in rebutting a prima facie case of nonuse. For example, is the burden more consistent with a burden of production or persuasion?

In connection with this question, both proposed proceedings allow a registrant to rebut a prima facie case of nonuse with “documentary evidence of use . . . consistent with when a mark shall be deemed to be in use in commerce under the definition of ‘use in commerce’ in section 45, but shall not be limited in form to that of specimens as provided in section 1(a).” AIPLA requests additional guidance and clarification on the meaning of this provision, as it is not apparent from this language whether a registrant can respond to a prima facie case of nonuse with, for example, evidence of analogous use. For example, can a registrant satisfy its burden by presenting marketing materials clearly displaying use of the mark for the challenged goods, along with a verified statement that the goods are sold in U.S. commerce?

d. Response Deadline for Rebuttal of a Prima Facie Case of Nonuse. AIPLA acknowledges that the considerations underlying the potential need for a shortened deadline for registrants in expungement and reexamination proceedings must be balanced against the concern that too short a period could prejudice registrants. AIPLA recommends that a registrant receive a minimum period of 30 days to respond to a challenge that includes fewer than five goods or services, and a longer period for challenges to more than five goods or services.

e. Limitation on Later Proceedings and Estoppel. While Sections 16A(j) and 16B(j) of the TMA preclude later co-pending expungement and reexamination proceedings while a proceeding is pending, these provisions do not address what happens to the proceeding if the registration at issue is subject to cancellation for want of use in commerce in an inter partes proceeding or a civil action before a court of competent jurisdiction. Will a pending expungement or reexamination proceeding be suspended under these circumstances in favor of resolution of the issue based on a fully developed evidentiary record in district court? Likewise, if a registrant advises the Director in response to a petition that a use-based challenge to its registration already is pending in an adversarial proceeding, will the Director decline to initiate an ex parte challenge to the same registration in the first instance? AIPLA encourages the Director to provide guidance and a position on these issues.

Similarly, the statute sets forth estoppel provisions preventing another proceeding against any goods or services in a registration that were the subject of an earlier proceeding in which it was determined that the registrant had used the mark. This raises several questions as to whether the Director should consider additional limitations of requested proceedings against the same registration. For example, provided it pays the required fee each time, can a petitioner mount successive challenges to individual goods and services in the same registration (perhaps to harass the registrant) or, alternatively, must that petitioner bring all of its challenges in a single petition? Conversely, if there are numerous goods and services in a single registration, is it too burdensome to require a Petitioner to raise all its challenges in a single petition? And, if either the Board or a court of competent jurisdiction already has found in a final decision that a mark underlying a challenged resolution was in use as of a particular date, will the Director defer to that decision if notified of that decision in the registrant's response to a prima facie showing of nonuse?

f. Possibility of Filing a Single Petition for Expungement and Reexamination. While the TMA does not currently provide for a single petition to raise the allegations required in each proceeding, AIPLA believes the goals underlying the proposed proceedings may be better achieved if this is an available option. Because both proceedings follow closely similar procedural tracks upon their initiation and because both turn on the concept of nonuse in commerce, a single consolidated proceeding may reduce confusion surrounding two proceedings. In addition, if a petitioner believes that both proceedings are appropriate with respect to certain goods and services in a particular registration, the Director can require that the petitioner assert both proceedings in a single petition, thereby avoiding a situation in which a petitioner brings an expungement proceeding and loses, and subsequently asserts the same issues in a reexamination proceeding.

g. Requests for Reconsideration. AIPLA requests guidance on whether a registrant dissatisfied by the outcome of an ex parte proceeding has an opportunity to request reconsideration of that outcome prior to an appeal.

h. Appeals to the Trademark Trial and Appeal Board. AIPLA requests guidance on how long will a registrant dissatisfied by the outcome of an ex parte proceeding have to appeal to the Board and what standard of review will apply in such an appeal.

4. Conclusion

AIPLA looks forward to making additional comments regarding the TMA throughout the implementation process. We welcome the opportunity to answer any questions these comments may raise.

Sincerely,



Joseph R. Re
President
American Intellectual Property Law Association