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Attn: Karen Kuhlke  
Trademark Trial and Appeal Board  
United States Patent and Trademark Office  
P.O. Box 1451  
Alexandria, VA 22313-1451

**By Email**Re: TTAB Participation in Settlement Discussions

Dear Ms. Kuhlke:

This letter responds to the USPTO's request for comments concerning TTAB participation in settlement discussions published in the Federal Register on April 22, 2011.

Our firm concentrates its practice in the area of intellectual property law, of which trademark prosecution and litigation has been an active and important part since the founding of the firm in 1983. We have represented clients in many proceedings before the TTAB.

In general, we favor the proposal, particularly if the TTAB participation occurs at a stage of the case in which it assists the parties in reaching a settlement before substantial cost is incurred.

**I. Timing**

We do not believe that additional focus on settlement is needed in the early stages of a TTAB proceeding. In many cases, the parties themselves can address those issues. The recent addition of a Rule 26(f) discovery conference, with settlement as a required topic, helps to facilitate such discussions, as does the potential participation of an Interlocutory Attorney or ATJ in those conferences.

We believe that a second required consideration of settlement might usefully be timed for late in the discovery period (say 30 days prior to the close of discovery). If the parties have not been actively addressing the case, that is when significant costs will begin to be incurred. At that point, the parties will presumably have the most incentive to resolve the matter in order to avoid such costs.

While the Board may also want to consider requiring Board participation if a threshold number of suspension requests is received, it has been our experience that sometimes those requests are related to an international dispute being handled by foreign counsel. In that

situation, the complexity of the issues and the location of the decision makers may leave U.S. counsel with no effective means to expedite the settlement. Accordingly, a settlement procedure that adds cost at the U.S. end may not be helpful.

We agree with the comment in the Notice that summary judgment motions are seldom successful. We thus would support steps to discourage the filing of such motions, but would not support a complete ban on their use. A required settlement conference with Board personnel could help to discourage unwarranted summary judgment motions. Perhaps a more effective approach would be to impose a condition that, in order to file a summary judgment motion, the movant would have to agree that, at the option of the other party, the motion could be treated as an agreed format for resolution on the merits (i.e., that the Board could, if needed, resolve disputed issues of fact reflected in the summary judgment record). A party who wants both a summary judgment motion and a trial is likely to be wasting the resources of the Board and the opposing party.

We do not believe that engaging in settlement discussions should be a precondition to the parties' ability to utilize the full range of discovery options.

## **II. Format**

We suggest that Board involvement be in the form of an opt-out provision, meaning a requirement that a settlement procedure be used, unless both parties agree to the contrary (after a required consultation between counsel concerning the prospects for settlement). One frequent impediment to settlement is a wish by the parties to avoid being the party that first suggests settlement. Thus, an opt-out provision permits settlement to be raised without any appearance of weakness on the part of either party, while still avoiding requiring use of procedures that would be a waste of time for the parties and the Board.

## **III. Who Should Be Involved**

We suggest that the parties be allowed to express a preference for an ATJ, IA or mediator to participate in settlement discussions. If USPTO mediators are to be an available option, the nature of the mediator program should be communicated to the parties. Whoever from the TTAB participates in settlement discussions should not be involved later in resolving the merits of the dispute (and should not be permitted to convey information about the settlement discussions to those resolving issues in the proceedings).

## **IV. A Larger Problem With TTAB Proceedings**

In our view, the major problem with TTAB proceedings does not relate to whether adequate options are available for discussing settlement. Rather, the combination of the amount of time that the Board takes to resolve motions (often in the vicinity of six months) and the

practice of suspending proceedings while the motions are under consideration leads to long delays in resolving the issues and allows parties to engage in dilatory tactics. This drives up the costs of proceedings to the detriment of parties lacking deep pockets. This may be one reason why such a large percentage of trademark owners give up their rights in settlement, in that even where both parties have legitimate arguments, the issues in dispute seldom justify the kinds of costs associated with multi-year litigation.

We encourage the Board to place its highest priority on more effective docket management procedures and other ways to expedite decision-making in TTAB proceedings. A federal district court litigation model is not always appropriate for TTAB proceedings, as TTAB proceedings often turn on a rather limited range of facts, which may not be in substantial dispute, such as the differences in the marks and the differences in the goods and services.

Respectfully submitted,



William P. Berridge

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