TTAB REPORT ON COMMENTS FOR NPRM

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(1:12 p.m.)

Ms. Butler: Good afternoon, I'm Cheryl Butler and welcome and thank you for sharing your busy afternoon with us as we report out on the comments to the TTAB's proposed changes in its rules of practice. And I also want to thank everybody for being patient. We have -- we were waiting for some people to get through security and I think they're still on their way up but we'll just have them join us a few minutes late.

Now before we begin, I have two announcements. Today the 2016 update of the TBMP was posted online at the TTAB's homepage. It is available in the searchable electronic version. We are working on getting the pdfs posted but we ran into an unexpected but small problem this morning that we're trying to resolve. So if you see the pdf link is not active when you go there.

And also today the updated and amended standard protective order goes into effect. It is also available on the TTAB's homepage. The
retired order will remain posted and eventually will be found under an archive link that we have not provided yet. As you are aware, there are some exceptions to the effectiveness of the amended protected order in certain cases but that's also information is also available online on that.

Well, the journey that led us here today began at least in 2007 with the amended rules of practice by which the TTAB adopted a disclosure practice, encouraged electronic filing and I'd like to mention at that time ESTTA was not very old having first come online December of 2002. We also encouraged the communications between the parties electronically and we offered a modified schedule for disclosure and to accommodate settlement and the communications between the parties.

Well since then, the federal rules of civil procedure were amended more than once and the TTAB's practices and processes have evolved. Many things worked well. I know participation of
Board attorneys in discovery conferences and phone conferences on contested matters is welcome and people enjoy the active case management and appreciate it very much.

We increased the flexibility on introducing evidence and we have found a sort of right-sizing of how long Board proceedings take. So unrelated to the comments we received for this NPRM, we often get comments that the Board proceedings take about the right amount of time for most people most of the time. And we even get comments, well, I wasn't expecting that determination quite this quickly. So I think that all bodes very, very well.

And in the meantime, we have also seen efficiencies that we attribute to accelerated case resolution which includes the parties' willingness to work together and creatively while advocating their adverse positions on the substance of the controversy between them. And as always happens in life, some things do not work as well as we had hoped and they resulted in some unintended
consequences.

We arrived at a point where it made sense to propose amended rules, to reflect the efficiencies involved in technology, the continuing efficiencies and in communications, and to expressly incorporate certain aspects of the federal rules which we think by expressly incorporating them will emphasize their importance as well and to conform to current practices and terminology.

Credit goes to so many. Starting a few years ago the TTAB judges, attorneys, paralegals, information specialists, IT specialists and data analytic specialists contributed their thoughtful ideas and their hard work. And we sought the perspectives of those who practiced before us and the input of other USPTO units.

We started a few years ago as well with a large team of people working on the proposals we were looking at and the team became smaller and it became even smaller as we went ahead to write the NPRM that you have a chance to look at and comment
on.

So well, what is a report out? After all, you've read the proposals and the comments and you've come to some conclusions. So we want to let you know that we are purposely considering the comments so we do not have responses now. But we instead have summarized and categorized the comments particularly those with the most common themes. And we may ask for some clarification and for some examples and I do want to say in addition, that we did receive comments concerning subject matters that were not within scope of our proposals. And while we're not able to consider those suggestions for the purposes of this proposed rule package, they certainly will be retained and considered at least informally as we go forward.

Now for some logistics. If you wish to speak, please say your name. And if you are representing a stakeholder group, the name of the group and please remember to turn your mic on when you're speaking and turn your mic off when you are
not. And we can remind each other because I know I will forget, too.

If you are online, please send your questions or points through the chat feature and not through the Q and A feature. And if you're having technical difficulties or later encounter technical difficulties or get an IM or a text message from somebody you know who's having technical difficulties, please have them call the help desk at 571-272-9000.

So I'd like to introduce the judges who did the major lift in putting the NPRM together and who will lead us in the report out. To my right, if I got my -- I always get my right and left backwards, is Karen Kuhlke. Karen had to learn a new language called RegText and it definitely involves asterix as you can see in the NPRM. And she was also instrumental in putting together the background portion of the NPRM.

Susan Hightower is to her right and Susan helped us keep organized and used her former skills as a journalist putting together the
discussion of the proposed rules and the NPRM in a clear way.

And to her right is Cynthia Lynch. Cynthia became a judge less than a year ago and we immediately enlisted her to work on the proposed rules because of her experience at the trademark operation in rulemaking and her ability to make sense of the Paperwork Reduction Act considerations. Thank you.

And before I turn it over to Cynthia, who will start first, I also would like to introduce over here to my left Denise DelGizzi who is our Chief Clerk of the Board. Denise continues to provide input and guidance on the processes within the office that make things work smoothly behind the scenes.

With that said, Cynthia, I go to the first slide for you, is that correct? I think I'm in charge of that.

MS. LYNCH: Okay, great.

MS. BUTLER: Is this the one we want to start with?
MS. LYNCH: We can do that. I think this is really just a slide kind of giving you an overview of what the volume of comments were and generally who they were from and the fact that the first bullet there deals with the formal comments that we received. And the second bullet shows you that there were also informal comments that were made in the media, in blogs, in newsletters and we're aware of many of those, too.

So we're going to talk about some of the more robust areas of comment, in particular, ones that we got a lot of comments on and certainly one of the biggest was electronic filing or ESTTA. The proposed rules mandate electronic filing in Board proceedings and kind of interestingly, I thought, this was something that was really -- we got almost, I would say, unanimous support for the general proposition that electronic filing and Board proceedings as the norm sounded perfectly fine.

And in addition to many comments explicitly stating general support, we did not
have any commenter who objected to that as the, at least, the default rule. I think it reflects a recognition that in the world we're in today as opposed to those of us who have been at or around the PTO for many years and this wasn't always the case. People really recognized that it's a win-win all the way around for electronic filing at least when it's working smoothly, which leads me to the next slide on some of the concerns because although certainly there was general support, there were concerns expressed.

One set of concerns revolved around ESTTA itself and what are some of the perceived limitations with ESTTA. So one of the areas of concern really dealt with the size limitation for attachments in ESTTA. And then, there was a concern about in situations where there are voluminous attachments or something that might exceed the size limitation, would an exception be made and what, you know, are the circumstances of that exception.

I think that some of the considerations
that we would like everybody to keep in mind are that the size limitations that's in ESTTA which is 53 megabytes is pretty substantial. Also we have some really good technical tips that can be found through the links within ESTTA that help make the most of the size limitation that is available.

So for example, avoiding color attachments which take of lot of size and are going to be translated into black and white anyway, so using, you know, some of those tips to help maximize the size limitation that's there. And then, another thing to keep in mind is that if all else fails, there is the option to break filings into multiple or break attachments into multiple filings in order to work around the size limitation.

Although we certainly are considering the concerns and comments that were raised in this regard, there also is a reality that if a paper filing exception is made for that kind of situation, it does really just shift the burden to the PTO to scan the voluminous paper filing and
put it into the system. So you know, at some point the burden is going to fall on someone. So if we can arrange for the electronic filing on the front end, we're certainly looking to do that.

So in addition to the file size limitation, another area of concern about a perceived ESTTA limitation was it's not configured to accept multimedia attachments. So we had some comments about that and suggestions that perhaps ESTTA be enhanced to accept multimedia attachments. Again, I think those comments and concerns will be taken into consideration.

Right now it's my understanding that it's relatively infrequent that we have that type of evidence, the decisions of the Board are typically done on the written record and although I think they sometimes are submitted by other media, my understanding is that's not a frequent request that we're running across.

Last I think just on this slide I wanted to mention that we did have some concerns expressed about the provision and the rules
regarding the ESTTA cover sheet versus pleadings
that may be inconsistent with the ESTTA cover
sheet in Section 66A or Madrid protocol cases that
are being opposed. And so, I wanted to mention
that use of ESTTA has been mandatory for filings
for either extensions of time to oppose or notices
of opposition in 66A cases. And the requirement
has been in place because that facilitates our
ability to fulfill our obligations under the
Treaty to notify the International Bureau at WIPO
about the notices of opposition and the grounds
for opposition.

And so the reason for the provision that
is in the proposed rule sort of codifying that the
grounds for opposition in the ESTTA cover sheet
are going to control is again just to facilitate
that accurate and timely notification that happens
automatically and electronically when we transmit
that data to the International Bureau at WIPO.

I was going to move on next and talk a
little bit about the technical difficulties or
extraordinary circumstances exception to
electronic filing but were there any questions or comments about the prior issues that I just covered about the size limitations or about multimedia?

MS. KUHLKE: I was going to just jump in real quickly. So that I'm sure most people know to understand what our obligation is as the Agency, those electronic files are the official record of the file. So for example, MP3s or video you want to send in a commercial, it's very difficult for us to consider that part of the official file of the record and make it available to the public. So it's another reason in terms of the large paper filings that you're trying to scan and get to us, this is why we must then scan it in if you send it to us in paper and it must be in electronic form. That's it.

MS. LYNCH: Thanks. Anyone else? Okay. Well, so the other big area of concern in the comments with our mandatory electronic filing, I will say the proposed rules already built in an exception to the mandatory rule for situations
where and I'll quote the proposed rule language,
"When ESTTA is unavailable due to technical
problems or when extraordinary circumstances are
present."

So in that scenario we were allowing for
a paper filing but the paper filing had to be
accompanied by a petition setting out what the
technical difficulty is, what the extraordinary
circumstances were that justified the exception.
So we have some commenters who objected to the
petition requirement across the board and felt
that that was too burdensome. There were others
who were okay with the petition requirement but
not okay with a fee being charged for the
petition.

And then, one commenter pointed out that
for at least one filing which was a combined
opposition and petition to cancel, there is no
designated ESTTA form and that paper filing would
therefore be necessary and why should any
extraordinary measures be required in a scenario
like that.
I guess just to unpack some of the concern a little bit and there were definitely folks who alluded to this or mentioned it in their comments, we occasionally have system outages and we had one that took place in December. And in fact, I think we even referred to that in the notice of proposed rulemaking and acknowledged that, you know, that is a situation where we occasionally do have ESTTA unavailable due to our own technical difficulties.

So some of our commenters really just wanted assurances that if situations like those arise, that they could file on paper without any fee and without a particularly burdensome procedure being required. As I mentioned, there are a subset of the commenters wanted to avoid the petition process altogether and were advocating maybe a procedure where they could just make a statement in whatever the paper filing was about why they were filing on paper. Perhaps have it be foregone that the paper would be accepted rather than having what they consider some uncertainty
associated with whether the paper filing would be accepted.

Then I think we had commenters who were interested in exploring or having clarification that when the technical difficulties were not on the PTO's end but rather were on the filer's end would that be a situation where an exception would be granted? Would they have to be charged a fee? And certainly some of the commenters felt that they also should have a very flexible liberal exceptions made and, again, you know, not have to pay a fee if they were experiencing technical difficulties.

I think, you know, we'll carefully consider all the points made by the commenters about these situations. As I said, we mentioned and acknowledge that certainly we're aware we do have system outages at some time and we want to make it as predictable and easy on our users when we do encounter those kinds of situations. So it's certainly something that we're going to continue to look at when we formulate the final
rule.

Is there anyone who had additional comments or any questions about that area of comment?

MS. RICKETTS: You had mentioned the inability to file a combined opposition and cancellation, that that was not available. That wasn't one of the things that you then revisited in saying that that would be taken into consideration.

MS. LYNCH: Oh, yes.

MS. RICKETTS: The fact that it's plan not available in ESTTA.

MS. LYNCH: Right. Yes, no, we'll definitely be taking account of that and making some kind of provision for it either in ESTTA or in the final rules. Anyone else? Okay.

MS. BUTLER: All right, thank you, Cynthia.

MS. LYNCH: I'm still --

MS. BUTLER: Oh, you still have another to go.
MS. LYNCH: I'm still going yeah.

MS. BUTLER: Oh my goodness, all right then.

MS. LYNCH: So moving on from electronic filing to the next -- another major area of comment. We've called this embracing the electronic world but dealt with board service of the complaint and email notification of orders issued during a proceeding. Again, in general, the public reaction to the Board going back to its pre-2007 practice of handling service of the complaint was overwhelmingly positive and we had not a single commenter who wanted the burden to remain on the plaintiff to have to handle the service. Not surprising.

And also we had no objection to the codification of our existing practice of emailing orders that issue throughout the course of the proceeding. I'll mention that ESTTA filers may enter multiple email addresses in their filings and any orders are then sent to all of the emails addresses that are provided. And I think there's
guidance within ESTTA on this practice and encouraging the parties to ensure that the email address information that they are giving us is accurate and remains current.

Next slide. This was not an area without concerns. So I'll talk a little bit about what some of those were. Email notification of the institution of proceedings. This is already done with oppositions when an applicant has authorized email. But in looking at doing this more expansively and potentially doing this with cancellation proceedings, we did have some concerns expressed about whether email notification and I think this was particularly a concern for pro se parties, whether an email notification sufficiently conveys the seriousness, the gravity of this proceeding and the fact that they are going to need to take action to defend their rights.

Another area of concern with this was just the very practical concern about delivery of the email and the fact that email delivery, as we
know, may fail for a number of reasons including spam filters, for example and that it is somewhat difficult to verify the receipt of email. Now sometimes we have email that's returned as undeliverable but I think the points being made by commenters are we may have some instances where the email actually doesn't reach its recipient but it's not returned to us as undeliverable. It's lost in cyberspace. So that was an area of concern.

Also and this is something that the PTO has struggled with in other areas as well, I think we all know that many of our users at the PTO are subject to a barrage of solicitations relating to their applications or registrations and that there have been some situations where the solicitations really resemble and are designed to resemble USPTO communications. And so that can be a cause for confusion and to the extent that parties and clients have maybe been given the advice to, you know, really watch out for these, that they may mistake an email that is legitimately from the PTO
notifying them about the institution of proceedings for one of these solicitations.

I will mention that I think the Agency has tried to do what it can in terms of warning folks but at the same time, making sure that they do pay attention to the communications that are legitimately coming from the Agency. But one of the suggestions that we received was to look at maybe putting some specific information that would go along with the registration certificate when it issues for registration owners, that email communication might be used to inform them about a challenge to their registration down the road. So that's also something we'd be looking at.

We had requests for clarification about the default procedures. So if email notification were used and there appeared to be a default, you know, what procedures, if any, would we be taking before entering judgment and, you know, would that involve any non-email communication.

And then, I think I'm ready to move to the next slide. As I mentioned, the real concern
in this area seemed to rest probably more strongly regarding petitions to cancel. Our proposed rules provided that the Board service of the complaint could be effected by email when the party had provided an email address for communication with the PTO and that the service would consist of sending an email with a link to TTAB view to look at the petition. A copy of the institution notice would also go to the petitioner by email if an address had been provided.

So there were some commenters looking for further clarification regarding which email addresses or which addresses would be used for this purpose. And they really highlighted the usefulness on our end of using terminology that matches the terminology that appears in our publicly available USPTO databases so that if users want to go in and see what address would be used, is it the current address is it accurate that they're able to tell clearly from the language in the rule or some explanatory language on the rule notice which data fields basically we
would be using.

Just as an example, in our TSDR system we have current owner information field. We also have an attorney/correspondence field and then, within that there may be correspondent information and there may be attorney information. So really just commenters were looking for clarification and transparency about what we would be using and doing this type of email service.

Another big area was identifying known counsel for the respondent and the provision in our proposed rules that plaintiffs in cancellation proceedings would have to include the name, address and email address of any attorney. And I'll quote the proposed rule language again, 

"Reasonably believed by the petitioner to be a possible representative of the owner in matters regarding the registration."

The goal of the requirement was to assist the Board in locating and notifying the proper party and this often occurs, you know, this type of provision of owner information often
already occurs in our current practice and we were looking to put it in the rule. We had some folks who were concerned about the way the responsibility was phrased. In general, I don't think there was an objection from anyone that if there is known counsel that they had a problem with providing that information to the office. But there was a concern whether there was any intent on our part to impose a due diligence requirement to have parties go out and research who might be possible counsel for the owner.

So they were suggesting alternate rule language for that or at least some clarification in the final rule notice that this was just for the purpose of identifying counsel who were already known.

We also had some suggestions that in situations where our proposed rules were already providing that the service would go to, for example, a domestic representative already, you know, current and shown in our database, or in cases of Madrid-based registrations where the
designated representative through the IB would be used, that in those cases, the filer ought to be excused from having to provide any other contact information or attorney information.

We also had some concerns expressed kind of on the end of the attorney who might be identified as a possible representative of the owner but who is, in fact, not representing the owner in matters relating to the registration at that time and seeking clarification about what, if any, their responsibilities would be, what actions should they take.

I think the notice of proposed rulemaking already recognized that there might be those scenarios and that we were not in any way assuming that this person was the attorney for the owner until the attorney appeared. But clearly there could be situations, and I think this was the focus of concern of the commenters where the attorney is receiving a notice and isn't, again, representing the client and wants to know what to do.
Are there comments or questions about any of these areas before I move on to the next one? Okay, I'm actually on it, yeah.

And then, the last area that I was going to talk about is service between the parties. So another aspect of promoting electronic communication that is included in the rules was that service of documents between parties and Board proceedings would be by email.

This is largely reflective of current practice but, again, would become mandatory and just as with the electronic filing with the office, we really didn't have any general objections to this as the default rule. So it was a pretty positive response to email as the default form of service.

But there were concerns. The proposed rule had already built in an exception for circumstances where service by email was attempted but couldn't be made due to technical problems or extraordinary circumstances. In this scenario the party who was then serving on paper or by some
other method would just include a statement as to why in that filing.

So there was no petition involved here but we did have requests to clarify or perhaps provide examples of when this exception to email service might apply. One area that seemed to be of particular concern was again back to voluminous documents and situations where the documents being served might be so voluminous that email service might present a problem because of size limitations.

MR. HUDIS: Cynthia?

MS. LYNCH: Uh-huh?

MR. HUDIS: As I read the proposed rules changes, there was a provision for service by other means.

MS. LYNCH: Right, the parties -- yes, absolutely. But default with email the parties could always agree to service by an alternative means and then, the exception was there even where the parties hadn't agreed on an alternative method of service but for some reason the serving party
ran into some inability to serve by email, this exception was provided to go ahead, you know, I guess unilaterally and explain why it wasn't possible there and served by another method.

MR. HUDIS: Yeah, the typical situations where you have voluminous attachments, let's say to a motion, you can't serve by email because the attachments won't get through the person's email server because it's too large and then, you do an ftp file transfer. That's the other means.

MS. LYNCH: All right.

MR. HUDIS: All right, so the way I understood the proposed rule, you could do that even in the absence of agreement, right?

MS. LYNCH: I think, you know, I guess without getting into specific --

MR. HUDIS: Well, Susan --

MS. LYNCH: -- specific opinions and interpretations --

MR. HUDIS: Susan's shaking her head yes so I was trying to --

MS. LYNCH: Yeah, I mean, we were
certainly saying that if you provided an explanation of why the email service wasn't possible and I think the fact that the service by email wouldn't go through, sounds like it would qualify that you would be able to just give that explanation. Now ideally, you and your opponent would have a discussion about it, you know, perhaps at the outset of the case if you anticipated having service of voluminous documents and agree on an alternative method.

But yeah, if that hadn't happened or wasn't possible then the option is there to do it without agreement.

MS. KUHLKE: I'm going to jump in real quickly. That dovetails into another comment that has more to do with the application of the rules to pending cases. So one of the comments was what if we had agreed to service by mail, right? Well, that's fine because the rule contemplates stipulating to any type of service that you want. So if that agreement is already in your case, the pending case, then you will continue serving each
other by mail.

MS. LYNCH: And then, just one reminder here that we wanted to plug was that regardless of alternative methods that might be agreed on, we were not providing for the additional five days of service by mail. And the idea there was that when we went to 20 days for responding to a motion that some extra time is already built in.

If there are not comments or questions about anything I've gone over here, I did have one question for you all about a little bit of a different topic. So was there anything on this subject before I move on?

Okay. We had one comment that was specifically about Rule 2.101 and I guess I'm looking for a little input or clarification about it because we were a bit confused or looking for maybe examples of how the concern might play out. So this rule is about the filing date of an opposition and concern about on the one hand, the filing date for an electronically filed opposition being the date that it was received in the office.
and on the other hand, a -- when an exception for paper filing might be used that, you know, a different if a certificate is used with the opposition that a different filing date for the opposition might apply and that this could cause complications for attorney docketing systems.

Our thought was that because the answer date is going to be set by the Board and there would not be a mailbox rule applying there, we weren't sure how the concern with docketing systems might play out and we're wondering if any of you had, you know, clarification, input or examples for us. I'm seeing no? I'm seeing blank looks. Okay. Okay.

Well, I think that is all for me and then, I'm going to turn it over to Susan Hightower to talk about some of the other areas where we had robust comments.

MS. HIGHTOWER: Thank you, Cynthia, and I just wanted to start out with a quick apology for the coughing this afternoon. I'm starting to think that I'm going to take a summer cold home
with me when I fly back to Austin this afternoon.

So but in the meantime, I just wanted to talk a
little bit about some of the comments concerning
proposed changes to the rules governing discovery.

And the first one is a proposed change
to Rule 2.120(a) 23 that would require that
discovery requests be served early enough that the
responses will be due no later than the close of
discovery as originally set or reset. And I think
that generally we had positive or no expressions
of concern to this but next slide. I think for
some commenters when this rule particularly was
read in conjunction with the proposed change to
Rule 2.120(a) 24, which adds some language
regarding limited extensions of the discovery
period, I think that some concerns were expressed
as to whether the TTAB would be changing its
practice or was contemplating in the proposed
rules changing the practice of granting reasonable
extensions of the discovery period.

And I think, you know, we're certainly
reviewing those comments expressing those concerns
and wanted to clarify that there's no such change contemplated. I mean, the language in either of those rules was not intended to change the current practice of reasonable -- the availability of reasonable extension. Jonathan?

MR. HUDIS: We're all attorneys on this panel. Could we get that in writing?

MS. HIGHTOWER: Was the Chief Judge moving towards his microphone?

MR. ROGERS: Well, I was just going to add that I don't think an alternative to excising the word limited from that rule would be to allow unlimited extensions. So obviously there needs to be some mutual understanding about what is reasonable in a Board proceeding. And I think the insertion of the word in the notice of proposed rulemaking was really intended just to indicate that our existing practice already contemplates limited extensions and not to signal that we would either be changing the standard of review for extension requests or imposing any kind of numerical limit.
So it really was not intended to indicate any kind of change in practice but just to kind of articulate what the nature of the practice already is. But we can certainly revisit the language.

MS. HIGHTOWER: And there was one other point that we wanted to make here was that the proposed rule changes don't impact the duty to supplement. There was one question I think one comment on that point. So if we wanted to move on to the next slide.

The next proposed rule changes I'll touch on the comments were the proposals to limit to 75, the requests for production and request for admission, that's in Rules 2.120(e) and (i). And I think the positive comments were that many of the commenters thought that this number would be sufficient in most cases. And next slide, Cheryl?

There were some concerns expressed, however, whether this would be a workable limit and particularly with respect to the requests for admission, some commenters encouraged that motions
to propound more requests be permitted on a showing of good cause both for requests for admission and for requests for production and to restore or retain that provision in Rule 2.120(d) for interrogatories.

This, I think the comments said that the requests for admission using more can sometimes be helpful in the case where multiple marks are involved in a proceeding or there are particularly long identifications of goods and services. So those are comments that we'll certainly be considering.

And there was one other area to touch on here, too, I think with Rule 2.120(i). We did have some comments regarding whether that would permit one comprehensive request for admission as to document authenticity. And there were some comments as to whether -- what the effect of that would be, would there be any concern about burden shifting. And we'll certainly be considering ways to address those comments in the rules or perhaps with examples in the TBMP. So moving on to the
next slide.

We -- I think that there were no concerns expressed regarding these two provisions. They're parallel for the proposed amendments to Rule 2.120(f)(1) which would require motions to compel discovery to be filed before the deadline for pretrial disclosures for the first testimony period. That obviously moves up from the commencement of that period as the rule currently exists.

And similarly for motions for summary judgment in Rule 2.127(e)(1), those two would have to be filed before the deadline for pretrial disclosures for the first trial period instead of the commencement of that period. I think there was only -- okay, there was only one stakeholder group that suggested enlarging the time for in Rule 2.120(f)(1), we've proposed changing the motions -- changing the timing for filing a motion to compel initial disclosures, that would have to be filed under the proposed rules within 30 days of the deadline for initial disclosures and the
stakeholder group proposed enlarging that to 60 days. So we'll certainly be considering that as well.

So those were -- that was my limited area of comments in the discovery rules before moving on to Judge Kuhlke.

MR. HUDIS: Susan?

MS. HIGHTOWER: Are there any further questions?

MR. HUDIS: Could we just repeat those?

So motion to compel initial disclosures currently is proposed 30 days after deadline?

MS. HIGHTOWER: Correct.

MR. HUDIS: Expert disclosures? When's that deadline?

MS. KUHLKE: I think it's part of that (inaudible) pretrial disclo -- it's pretrial --

MS. HIGHTOWER: It doesn't -- there's no proposed --

MS. KUHLKE: -- (inaudible), yeah.

MS. HIGHTOWER: Uh-huh. It is to be clear for the audience if didn't you hear that,
there's no proposed change regarding the timing of
the expert disclosure deadline.

MR. HUDIS: And --

MS. KUHLKE: There's initial disclosures
at the beginning.

MR. HUDIS: Right. Right, now
discovery? Compelled discovery? That's --

MS. HIGHTOWER: To compel discovery?

MR. HUDIS: Yeah.

MS. HIGHTOWER: That's before the
deadline for pretrial disclosures for the first
testimony period.

MR. HUDIS: Uh-huh.

MS. HIGHTOWER: And it's in Rule
2.120(f)(1).

MS. KUHLKE: All right, so that just
pushes it up a little bit. Right now it's before
trial opens.

MR. HUDIS: Two weeks.

MS. HIGHTOWER: Right.

MS. KUHLKE: In the new rules it'll be
before pretrial disclosures are due.
MR. HUDIS: And same thing with summary judgment?

MS. KUHLKE: Correct.

MR. HUDIS: Yeah.

MS. HIGHTOWER: Right. Just so you know I think probably most people have been in this situation where pretrial disclosures have already been served and then, a motion to compel or a motion for summary judgment comes after that time and that's what we're hoping to avoid with the proposed rule changes. Are there any further questions regarding these topics?

MR. ROGERS: I might just add, if I may, Susan has already addressed the fact that if there was concern about whether the requirement that discovery be completed during discovery meant that you wouldn't have to supplement after discovery. I don't think that that's true.

Obviously we want discovery requests to be served and responses to be made during the discovery period but the duty to supplement continues to whatever point in time you might
discover that you need to supplement a previous response even if that's outside the discovery period.

MS. KUHLKE: All right, moving on to the trial portion. Pretty much the comments were quite positive about some of the changes to trial procedure, of course, as was mentioned by Cheryl at the beginning, many of the rules were developed hand-in-hand with stakeholders throughout the year. In particular, the rule 2.122(d)(2) codifying that you can put your registration in under notice of reliance by using the electronic database printout, that was just -- it's already practice. People do that today but we're now explicitly putting that into the rule.

And also codifying the cases Fujifilm and SAFER to point out specifically that you can put in Internet materials with the URL and the date under the notice of reliance. And also in 122(g) to provide a little more information about what do we want to see in a notice of reliance.

Now one of the comments on that
particular rule was that we be even more specific about what we see on the notice of reliance in terms of identifying the relevance of the documents. The comment tracked a little more closely the language that we have in our case law Fujifilm and SAFER. I will say as we consider these comments, we have to weigh the value of specificity versus flexibility. And once you lock in into the CFR, right, it's a rule.

Whereas if we're putting something into the Board manual in terms of practice and what we want to see, we might be able to accommodate circumstances that come up that we can't anticipate right now. So just to understand those are some of the balancing acts that we go through as we're looking at comments and deciding whether or not we're going to make any changes.

All right, so let's go ahead to the next slide. Obviously, the biggest change for the trial procedure is adding in the ability to provide testimony by affidavit or declaration. Of course, a year ago as we were starting out on
changing the rules, we'd had a lot of experience with ACR, a lot of buy-in on that. Many folks enjoy being able to reduce the costs for their clients by submitting testimony by affidavit.

But coincidentally, a little case came along from the Supreme Court, B&B Hardware. So it did raise some concerns, important concerns, that we also focused on as we were developing the rules to make sure that we didn't back away from the quality and fairness of our procedure. And to make sure that people retain their due process rights, of course, we built in the ability to take cross-examination.

Let's go forward. So the ability to elect cross-examination. One of the concerns that came up on this, actually, maybe we'll have to go up. Do we have a concern yet? Oh, well, cost shifting comes up next.

First concern was that, and I -- actually I also want to thank everyone for their comments. This is an important concern that the declaration, if you put in your testimony by
declaration, 2.20 allows for submitting information -- swearing to something based on information and belief. Of course, 602 of the federal rules of evidence, it's got to be personal knowledge. So we will be looking at some language to try and tighten that up and make sure that it is obviously coming in as testimony. It's got to be admissible into evidence.

Another concern, let's see, had to do with, oh, yeah, on -- it actually goes back to Rule 2.122 but ties in with 123. I'm sorry. We speak in code all the time. We clarified in 2.122 that the statements in affidavits and declarations in the subject applications and registrations are not testimony, right? We needed to distinguish now that we're allowing testimony by affidavit that even though you've got an affidavit or dec in the subject application, let's say it was a 2F application and there's a declaration about how it's acquired distinctiveness or whatever. That the statements there are not considered evidence.

In the same way the rule currently says
the specimen of use or the dates of first use are not considered evidence. Yes, they're of record but they're essentially hearsay. So and those affidavits and declarations were not subject to cross-examination as well on top of everything else. So the rule was meant to simply clarify how does cold war apply here.

Any questions so far? I'm guessing the questions will be about cost shifting. So before we head to that, any questions about the process? There was a little concern about electing cross-examination and the timing and we'll be looking at that. They want a little more time to review the affidavits to determine if they wanted to elect cross-examination. Jonathan?

MR. HUDIS: Something the Board might want to consider. For example, if you have an expert witness, you want to take an examination of the expert. The parties notify the Board and the Board for the time of expert discovery, you put the case otherwise into suspension.

MS. KUHLKE: Uh-huh.
MR. HUDIS: If a fact witness's affidavit or declaration is filed, particularly close to the end of the proponent's testimony period, you might want to consider the same vehicle is temporarily suspended proceedings. So the parties aren't scurrying and equally the Board's docket isn't getting messed up.

MS. KUHLKE: Yeah, I will tell you that is something that was considered prior to the notice of proposed rulemaking and we can go back and look at that possibility to set that as a suspension procedure rather than setting up the timing. But we'll be -- we'll consider all of these different ideas.

Okay, so the cost shifting issue pertains to the situation where you elect to take cross-examination but at your expense. The concern was putting that burden on the person wanting to take the cross-exam. The other concern is the party trying to rein in costs of litigation, has submitted their testimony by affidavit and now all that effort to reduce the
costs is blown because now they've got to set up a
deposition for cross-examination.

The expense we were really considering
is the court reporter. We're not talking about
you have to pay for that deponent to travel to
your location. Your deponent, you're going to be
deposing them either at their business or at their
attorney's offices. So the travel expenses are
not something that the person taking
cross-examination are to take on.

And I have a question, Like, what other
expenses are we being -- are we concerned about?
You know, for us when we're thinking about it,
we're saying you're going to be paying for the
court reporter basically. But if there's anything
else besides travel expense or that you would be
paying for anyway, all right, to go to the
deponent's place to cross-examine them.

And I will say when we drafted the rules
that was a question that we had put out to
stakeholders originally and the idea was let's
have the folks taking cross-examination bear the
expense. So I have a sense there's a little bit of a -- maybe it's just a concern that this will unduly burden those who want to take cross-exam but it -- so if that's the case I'd like to hear from you all but the other option is to limit the number of affidavits that can come in by testimony. That's a concern. Because people -- Jon's shaking his head but there had been concern expressed that oh now you can put in testimony by affidavit. We're going to have to look through and now we're going to have to pay for cross-examination of 20. It would inhibit parties from taking their option to cross-examine witnesses but I'm not hearing thundering hooves for limiting the number of testimony affidavits. No? Okay.

MR. ROGERS: If I could ask a question. There was one comment which we weren't quite sure about what it was getting at that related to testimony by affidavit or declaration. And it focused on whether there -- whether the Board had considered the possible impact on motion practice
or pendency of proceedings that might result from a shift from less testimony by a testimony deposition and more testimony by affidavit or declaration.

But we weren't quite sure what motion practice might occur with testimony by affidavit that could not occur with testimony depositions or what scenarios might play out that would have a significant impact on pendency. If anyone can think of any, we'd certainly like to take them into account but we weren't quite sure what that was getting at.

MS. KUHLKE: Not quite. It's the last thing, folks are still asking for video testimony. At this point, as you know, we cannot -- ESTTA doesn't accept MP3 files. So we literally cannot do that, right, especially now that we're going to online filing. But we will be considering the comments.

So this is just codifying a practice but not everyone would avail themselves of it. If you've got a pretrial disclosure it doesn't list
-- it lists a witness that maybe had been requested during discovery and an improper pretrial disclosure is served. Folks would wait until the deposition was taken, attend cross-exam, right, with the objection and then file a motion to strike when they could have just filed a motion to quash the deposition.

Many do. Many take advantage of that. That's now explicitly in the rule to encourage people to go ahead and file the motion to quash rather than wait, let everyone spend the money and file a motion to strike.

I would say this was the most contentious part of the segment that I'm talking about. This is sort of related to letting us know about a registrant's attorney. This involves foreign deponents and the rule is adding the requirement that if you know that your client is in the United States to let the others -- the adverse party knows that they are within the US during say discovery or testimony period.

Some of the commenters expressed concern
that it would set them in a difficult position with their client and also that frankly they don't know. That there could be many, many officers of the foreign client that could be coming and going from the United States. And basically, it's just a difficult rule for them to comply with and what is their obligation. And I'm guessing that also expands to, you know, being members of the bar and what is your obligation in that scenario.

So we will certainly be looking at the language there and taking your comments into consideration. Is there any other -- here while we're in the room, any other comments about that? It cannot only be Jonathan.

MR. HUDIS: Somebody told me, who shall remain nameless, in that situation pretending that you're the three monkeys, see no evil, hear no evil, speak no evil. You know, especially if you have a client that's small in number. Just not communicating with your client so that you don't know whether they're in the United States and don't know, don't tell.
MS. KUHLKE: Which is not something, you know, we'd want the rules to encourage. We would like attorneys to be in communication with their clients so yeah.

MR. HUDIS: It was just an offhand comment that was given to me.

MS. KUHLKE: All right, let's go on.

Let's go on to the next slide then.

MR. ROGERS: Judge Kuhlke, we just have a request from the Web listeners if we could all speak more directly into our microphones.

MS. KUHLKE: Okay.

MS. BUTLER: I'm moving it closer.

There's a cable in the way.

MS. KUHLKE: Okay. So a lot of comments also came in about asking us to be flexible in applying the new rules and of course that is our intention as well. Let's just go on to the next slide.

But we do want to make clear that we've already had the experience of operating under two sets of rules and you all have had the experience
of litigating under two sets of rules and we don't want to do that this time around. We do want everything eventually to be set up under one set of rules going forward.

The -- so in terms of the effective dates, there's concern about the impact on a pending case. Let's just take some scenarios. You are -- the rules go into effect, I don't know, let's be optimistic, September 15th. Your discovery is due on October -- discovery is closing October 14th. But you haven't propounded discovery yet. Are you out of luck? Do you have to go ask for an extension of the discovery period?

And that's the next bullet in terms of thinking about varying effective dates for certain provisions. So that it would be a rolling -- various provisions would come online as sort of rolling effective dates let's call them. So let's say that discovery -- requiring that discovery be completed within the discovery period, doesn't become effective for say another 60 days. I'm
just throwing out hypotheticals.

That gives you enough time to go ahead and get up to speed with the rule, change your docketing procedures and not even have to ask for that extension. And that goes with some of the other timing. For example, filing a motion for summary judgment, you were gearing up. Pretrial disclosure period has passed but your trial hasn't opened yet. You were going to be filing a motion for summary judgment and now the new rules come into effect. That's another possible rolling effective date.

So that's all I have. If there are any questions?

MS. BUTLER: Okay, at this point, thank you everybody for summarizing the rules here and comments that came in here as well as just clarifications. And I'm turning it over to our Chief Judge for the looking ahead portion of our final portion of our report out.

MR. ROGERS: Well, looking ahead, of course, involves thinking about when the notice of
final rulemaking will issue and what the effective
dates would be as Judge Kuhlke has already
addressed. And you will recall that when we
amended rules in 2007 there were certain
provisions in the rules that went into effect on
the date of publication of the notice of final
rulemaking in the federal register and there will
likely be provision in the current proposed
rulemaking that will similarly take effect right
away.

An example would be the reliance in the
notice of proposed rulemaking on the amended
federal rules of civil procedure and the reliance
on the proportionality of the use of the process
and the proportionality in discovery. These are
essentially already applicable to Board
proceedings because we haven't opted out of the
amended federal rules as we've done occasionally
in the past. And the NPRM addresses them not to
make them applicable but to reinforce the fact
that they are applicable.

So certainly we could consider a motion
to compel soon after the effective date of the notice of final rulemaking and review it under the concept of proportionality as articulated in the amended federal rules. But other provisions would, as Judge Kuhlke said, have later effective dates because we want to deal with timing concerns and we want to allow practitioners to amend their docketing systems to train their staff and to basically get ready to -- for life under the amended rules.

We certainly encourage people to be doing that preparation now and not wait for the actual publication of the notice of final rulemaking but inevitably we know that people will need to make changes. And so we will allow time for that.

We're also cognizant of the fact that in the management of discovery in particular and any other issues that might come up regarding motion practice prior to trial, our interlocutory attorneys will have to have a great deal of discretion to be flexible in the application of
various provisions of the rules. And we will
certainly discuss with them as a group and discuss
amongst ourselves, amongst the judges and the
attorneys as many situations as we can think of
that might require us to be flexible so that we
are prepared to do that when cases come up that
require flexibility. Because all of these rule
changes are designed to enhance efficiency and to
reduce costs and not to be punitive in any way in
regard to the parties.

We also know that ultimately no matter
how much we think about possible scenarios and
address them in the notice of final rulemaking in
the background section or in responses to comments
or in the manual of procedure or in any internal
discussions that we have among the judges and the
attorneys about how and when we will need to be
flexible, there will still be some scenario or set
of circumstances that will arise that we will not
have thought of. And we will have to address some
of those through the issuance of precedential
decisions and we certainly did that with the 2007
rulemaking where we had to issue some precedential decisions about the changed requirement that the plaintiff served the defendant and in various other areas.

So I think we can expect that we'll have to rely on precedential decisions to some extent even after all of the effective dates have passed and the final rulemaking is fully applicable. That's where we rely on practitioners to give us well thought out cogent arguments about how a scenario is not contemplated or that none of us ever thought of should be handled and should be addressed. And then, we'll handle them as best we can through precedential decisions.

And I just want to reiterate that in administering the final rules, the Board will administer the system but we don't really view it as just our system. It's really a system for mark owners and practitioners and applicants and it has to be a system that will work well for all of our stakeholders. So that's, I think, a guiding principle that we have behind the drafting of the
notice of final rulemaking and any steps that we
take to implement it and interpret it after it's
been published in the federal register. So we
welcome your continuing participation and
collaboration in that respect.

MS. BUTLER: And before you have a
chance to think about leaving, we did get a
question from the online audience. Here you go.

MS. KUHLKE: All right. So the question
is if a foreign party submits declaration
testimony I assume the cross-examination will have
to be by written questions. Will the TTAB suspend
the testimony period for that process to unfold?
And the answer is yes. The proposed rule in 123
shoots you over to Rule 2.124 which governs
depositions upon written questions and, yeah, we
typically suspend when you're involved in that
type of procedure.

So when I was looking for a file folder
to just put some of my notes in this is literally
the only thing that was left at the Board. So
this is the test to see just how many long-timers
we have.

MS. BUTLER: Well, thank you again for joining us for the report out. I hope you found it useful and we look forward to speaking with you again. Thank you.

(Whereupon, the PROCEEDINGS were adjourned.)

*   *   *   *   *

1 we have.

2 MS. BUTLER: Well, thank you again for joining us for the report out. I hope you found it useful and we look forward to speaking with you again. Thank you.

3 (Whereupon, the PROCEEDINGS were adjourned.)

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I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

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