In a Show Cause Order dated February 5, 2020, the United States Patent and Trademark Office (“USPTO” or “Office”) informed Nantong Cottorigin Hometextile Co, Ltd. (“Respondent”) of evidence indicating that Respondent violated the USPTO rules of practice in trademark matters (“USPTO Rules”). Respondent was ordered to show cause why certain sanctions should not be imposed based on Respondent’s conduct. A response was required within 45 days. To date, the USPTO has not received any response from Respondent.

The Director has authority to sanction those filing trademark submissions in violation of the USPTO Rules and has delegated to the Commissioner for Trademarks (“Commissioner”) the authority to impose such sanctions and otherwise exercise the Director’s authority in trademark matters. 35 U.S.C. § 3(a)-(b); 37 C.F.R. § 11.18(c); see also In re Yusha Zhang, et al., 2021 TTAB LEXIS 465, at *10, *23-24 (Dir. USPTO Dec. 10, 2021). The authority to issue administrative sanctions orders has been further delegated to the Deputy Commissioner for Trademark Examination Policy (“Deputy Commissioner”). Accordingly, based on Respondent’s rule violations, discussed below, the Deputy Commissioner orders that the sanctions herein are warranted and are hereby imposed.1

I. Overview of Respondent’s acts in violation of USPTO Rules

The previously issued Show Cause Order details the conduct that forms the basis for imposing sanctions and is incorporated by reference in this final order. The following summary of the facts is provided for background.

The record demonstrates that Respondent is responsible for providing false, fictitious, or fraudulent signature information in violation of 37 C.F.R. § 11.18.2 In TEAS form filings,
Respondent, or someone acting on Respondent’s behalf, impermissibly entered the electronic signature of an attorney who neither consented to the representation of Respondent nor personally entered the electronic signature on the filing. These impermissible signatures appeared in the signature block of a form which falsely identified the attorney as attorney of record.

Entering the electronic signature of another violates 37 C.F.R. § 2.193, which requires that the signature must be handwritten in permanent ink by the person named as the signatory or the signatory must personally enter the combination of letters, numbers, spaces and/or punctuation that the signatory has adopted as a signature directly in the signature block on the electronic form. 37 C.F.R. §§ 2.193(a) and (c). These improperly signed declarations notably stated that the entry of fraudulent information within the form “…may jeopardize the validity of the application or submission or any registration resulting therefrom.”3 Further, as a foreign-domiciled applicant, Respondent must be represented by a U.S.-licensed attorney in trademark matters before the USPTO (“U.S. Counsel Rule”). 37 C.F.R. § 2.11. Therefore, Respondent cannot sign responses to Office actions, amendments to applications, and other submissions. See 37 C.F.R. §§ 2.11, 2.193(e).

Respondent or someone acting on Respondent’s behalf further knowingly provided false attorney information with various submissions to circumvent 37 C.F.R. § 2.11, which requires foreign-domiciled trademark owners to be represented by a qualified U.S.-licensed attorney before the USPTO. Providing false, fictitious, or fraudulent attorney information in a trademark submission to the USPTO constitutes submission of a document for an improper purpose in violation of 37 C.F.R. § 11.18(b) and is subject to the sanctions and actions provided in 37.C.F.R. §§ 11.18(c). See 37 C.F.R. § 2.11(e).

Based upon this pattern of activity, Respondent’s submission of trademark documents, containing false representations of fact and improperly signed submissions, has been deemed both willful and fraudulent by the USPTO. See, e.g., In re Bose Corp., 580 F.3d 1240, 1243, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009); Chutter, Inc. v. Great Mgmt. Grp., LLC, 2021 USPQ2d 1001 at *13 (TTAB 2021), appeal filed, No. 22-1212 (Fed. Cir. Nov. 30, 2021). As a result, Respondent’s acts may not be corrected or cured. See, e.g., Univ. of Ky. v. 40-0, LLC, 2021 USPQ2d 253 (TTAB 2021); G&W Labs. Inc. v. GW Pharma Ltd., 89 USPQ2d 1571, 1573 (TTAB 2009); cf. Therasense, Inc. v. Becton, Dickinson and Co., 649 F. 3d 1276, 1288-89 (Fed. Cir. 2011).

II. Sanctions ordered

In determining appropriate sanctions, the USPTO considers many factors, including any response received to the issued Show Cause Order, whether the conduct was willful or negligent, whether it was part of a pattern of activity or an isolated event, whether it infects the entire record or is limited to a single submission, whether the conduct was intended

3 See 37 C.F.R. § 2.20; see also 37 C.F.R. § 11.18(b)(1).
to injure a party, what effect the conduct has on the agency, and what is needed to deter similar conduct by others. See 73 Fed. Reg. 47650, 47653 (Aug. 14, 2008); 87 FR 431 (Jan. 5, 2022).

Here, Respondent provided no response to address the USPTO’s evidence and finding that Respondent violated the USPTO Rules. The USPTO informed Respondent that failure to respond could result in termination of the application and other appropriate sanctions, yet Respondent made no effort to rebut the USPTO’s evidence or explain why sanctions are not merited. Accordingly, there is no basis to find that sanctions should not be imposed.

The USPTO and the public rely on the truth and accuracy of the contents of documents and declarations submitted in support of registration. See Norton v. Curtiss, 433 F.2d 779, 794, 167 USPQ 532, 544 (CCPA 1970) (“With the seemingly ever-increasing number of applications before it, the [USPTO] . . . must rely on applicants for many of the facts upon which its decisions are based.”); accord Chutter, 2021 USPQ2d 1001, at *25 (“The agency, as well as applicants and registrants, and all who rely on the accuracy of the Registers of marks and the submissions made to the USPTO in furtherance of obtaining or maintaining registration, must be able to rely on declarations and the truth of their contents.”).

Because of the nature of the rule violations, none of the submissions made by Respondent may be relied upon to support or maintain a trademark registration and therefore may not be given any weight. Additionally, the application proceeding contains fatal defects because an improperly signed trademark document containing false representations of fact involved fraud on the USPTO. See Zhang, 2021 TTAB LEXIS 465, at *13; see also Ex parte Hipkins, 20 USPQ2d 1694, 1969-97 (BPAI 1991); In re Cowan, 18 USPQ2d 1407, 1409 (Comm’r Pats.1990). A trademark registration obtained by fraud is not valid. Under the facts presented, and because the circumstances suggest a pattern of activity intended to defraud the USPTO and circumvent USPTO rules, the application proceeding contains a filing which is effectively void and the defect in the proceeding cannot be cured. It does not benefit the applicants, registrants, or the USPTO to devote time and resources to further examine applications or post-registration filings known to have such fatal defects. Cf. The Last Best Beef, 506 F. 3d at 341 (“It hardly makes sense for the USPTO to conduct administrative proceedings on [the] applications if registration, at the culmination of those proceedings, would run afoul of the statute.”).

Accordingly, the trademark proceeding for Serial No. 88418196 (HEYLIFE, with a filing date of May 7, 2019) is ordered terminated. The USPTO’s electronic records will be updated to include this order and an appropriate entry in the prosecution history indicating that the registration was subject to an order for sanctions. The sanctions ordered herein are immediate in effect and are without prejudice to the USPTO taking any subsequent appropriate actions to protect its systems and users from Respondent’s continued improper activity, including issuing additional orders or referring Respondent’s conduct to relevant law enforcement agencies.
So ordered,

Users,
Cotton, Amy

______________________________  ____________________________
Amy P. Cotton                 August 16, 2022
Deputy Commissioner for
Trademark Examination Policy

on delegated authority by

Kathi Vidal
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office
CERTIFICATE OF SERVICE

I certify that on August 16, 2022, the foregoing Final Order was emailed to Respondent’s attorney of record at the following addresses:

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