

International Trademark Association (INTA) Comments in Response to:
Request for Comments Regarding Amending the First Filing Deadline for Affidavits or
Declarations of Use or Excusable Nonuse

Request for Comments:

PTO-T-2012-0031 – *Federal Register* Vol. 77, No. 159 on August 16, 2012

The International Trademark Association (INTA) appreciates the opportunity to provide comments on the USPTO’s request for comments on a potential legislative change to amend the initial filing deadline for Affidavits or Declarations of Use or Excusable Nonuse under Sections 8 and 71 of the Trademark Act. The USPTO Subcommittee of INTA’s Trademark Office Practices Committee prepared the following comments, in consultation with other relevant INTA Subcommittees including the US Legislation Subcommittee and the Madrid Practices Subcommittee.

INTA agrees that ‘deadwood’ on the trademark register is a concern and presents challenges for trademark owners. INTA would be in favor of the proposed legislative change provided the USPTO’s research and data reveals that moving the deadline up from the fifth year to the third year will significantly reduce deadwood beyond the current significant reduction in deadwood that current data demonstrates occurs between the 5th and 6th year following registration. Given the stated goal of removing “deadwood” from the register, the timing should focus on when registrations fall into the “deadwood” category. Further, INTA recommends an evaluation of how the proposed change might increase costs and administrative burdens for registrants. The comments below follow the questions posed in the notice.

(1) Is “deadwood” on the trademark register a concern of yours, and what impact do you believe it has?

For trademark owners, deadwood is a concern because many marks that appear in a trademark clearance search are either no longer in use or not in use in connection with certain of the goods and/or services listed. The time and expense required to confirm which marks are in use in commerce complicates the trademark clearance process. Further, because the United States has a use-based registration system, the register should reflect marks that are in use. The existence of deadwood, or potential deadwood represented by registrations that include broad goods and services descriptions for which use was not demonstrated prior to registration, results in additional costs for parties trying to clear a mark when they must conduct use investigations or file non-use cancellation proceedings before the Trademark Trial and Appeal Board (TTAB).

Deadwood can lead to the decision not to adopt a mark that might actually be available and lead to the filing of unnecessary cancellation proceedings that burden applicants and the TTAB.

According to recent USPTO data, almost half of all registrations lapse after the Section 8 deadline. Many of those marks may have been abandoned years earlier. If research data suggests that an increased number of registrations would likely be removed from the register two years earlier, then changing the Sections 8 and 71 deadlines could greatly decrease the number of marks on the register and facilitate the introduction of new marks.

However, changing the filing deadline to attempt to reduce deadwood on the register must be supported by appropriate data and must be balanced against concerns about the costs, implementation and the effect of a change on the global trademark community. For example, separating the filing period for the initial Section 8 and 71 declarations from the Section 15 Declaration would change docketing practices and may result in higher attorney fees.

(2) Do you favor or oppose an amendment to shorten the first filing deadline for Affidavits or Declarations of Use or Excusable Nonuse under Sections 8 and 71 as a means of ensuring the accuracy of the trademark register? (Please explain why.)

INTA would favor moving forward with a legislative amendment to shorten the first filing deadline for Affidavits or Declarations of Use or Excusable Nonuse under Sections 8 and 71 if business and other research data supports the conclusion that the change would result in the removal of more deadwood than the current 5 year deadline and would not increase the costs and administrative burdens of separating the timing to file the Section 8 and 71 and Section 15 Declarations.

For example, changing the timeframe might make sense if there is business data indicating that, the life cycle of a typical mark use is only 2 years, with use ceasing due to changes in branding strategy or business circumstances.

Many INTA members suggest that deadwood will always be a concern and the proposed change may not significantly reduce this concern and may raise the burden on registrants to file additional documents thus increasing costs. Changing the deadline may also affect extensions of protection filed under the Madrid Protocol based on a U.S. registration. If the home registration were cancelled, extensions of protection outside the US might need to be transformed to national registrations. However, a US registrant would already be aware of the potential dependency issues related to Madrid filings.

(3) If you favor shortening the deadline, what time period do you believe would be most appropriate for the first filing deadline?

Those members in agreement with shortening the deadline suggest that the deadline fall between the 3rd and 4th years after registration. This timing corresponds with the 3 year non-use presumptive abandonment period in the U.S. and marks the period when Section 44 and 66 registrations may become vulnerable to cancellation if the marks have not been put to use in the U.S. It is also consistent with use requirements in many other countries between the 5th and 6th years following registration.

However, for marks that were in use at the time of registration, shortening the time frame may lead to maintenance of a registration for a full ten year term for a mark that a registrant was moving toward phasing out. Trademark owners may not have reached a decision at the 3-4 year time frame to abandon a mark with intent not to resume use, but that decision may have been reached with certainty between the 5th and 6th years following registration.

(4) Are you concerned that an amendment to the first Section 8 and 71 affidavit deadline would foreclose the ability to combine the filing with the filing of an Affidavit or Declaration of Incontestability under Section 15? What impact do you believe separating these filings would have?

INTA members have expressed concern about increased costs and docketing/administrative burdens and increased attorneys' fees that might result by separating the Sections 8 and 15 filings. Other members, however, recognize the potential additional burdens but they believe that the separation will result in more accuracy when Section 15 declarations are filed. By separating the filing, registrants will be more likely to focus more attention on the requirements associated with a Section 15 filing. Some members advocated a maintenance period of years 4-5 (or later) as it would eliminate the Int. Reg. dependency issue and allow for the possibility of filing the Sec. 8 and 15 Affidavits together either at the deadline or during the 6 month grace period. That grace period should also be extended to 66A applications.

Overall, in conclusion, INTA agrees that 'deadwood' on the trademark register is an issue that presents challenges for trademark owners. INTA would be in favor of the proposed legislative change provided that additional research and data reveals that moving the deadline up from the fifth year to the third year will significantly reduce deadwood and the USPTO evaluates how this proposed change could affect the costs and administrative burdens for registrants. INTA looks forward to further discussions about this issue with the USPTO.