

June 21, 2011

The Honorable Deborah Cohn  
Commissioner for Trademarks  
United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

The Honorable Gerard F. Rogers  
Chief Administrative Trademark Judge  
Trademark Trial and Appeal Board  
United States Patent and Trademark Office  
Madison East, Concourse Level Room C 55  
600 Dulany Street  
Alexandria, VA 22314

**Response to Notice of Inquiry Regarding  
“Trademark Trial and Appeal Board Participation in Settlement Discussions”  
76 Federal Register 22678 (April 22, 2011)**

Dear Commissioner Cohn and Judge Rogers:

The American Intellectual Property Law Association (“AIPLA”) appreciates the opportunity to offer comments regarding “Trademark Trial and Appeal Board (“TTAB” or “Board”) Participation in Settlement Discussions.”

AIPLA is a national bar association with approximately 16,000 members who are primarily lawyers in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

You have kindly invited our comments, suggestions, and ideas on possible TTAB participation in settlement discussions. To that end, AIPLA conducted a survey of our Trademark Law Committee members to gather input in response to the specific questions set forth in the Notice of Inquiry. The majority of respondents answered the questions as noted below.

1. Should the Board be routinely involved in settlement discussions of parties, or instead, be involved only in particular cases on an "as needed" basis?

**AIPLA RESPONSE.** The Board should be involved in settlement discussions only on an "as needed basis" by stipulation of both parties. Many parties use Board proceedings to resolve trademark disputes to control costs, as Board proceedings tend to be far less costly than litigation in court. Further, as noted in the Notice of Inquiry, two-thirds of all Board cases settle before an answer is filed. The remaining cases often settle after discovery or before trial. Thus, the parties, either themselves or through counsel, have been very effective negotiating settlement in Board cases without Board involvement. The statistics above demonstrate that parties already devote time and resources to settlement discussions. Involving the Board in these settlement discussions likely would delay action on the case. For these reasons, any decision to enter into a facilitated settlement discussion should be made by mutual consent of the parties.

2. If you believe parties would benefit from involvement of a non-party, would it be preferable for settlement discussions to be handled by (a) an ATJ, (b) an IA, (c) a USPTO employee trained as a mediator but who is not an ATJ or IA, or (d) a third-party mediator?

**AIPLA RESPONSE.** It is preferable for settlement discussions to be handled by an Administrative Trademark Judge ("ATJ") who is not involved in the case or a third-party mediator (former ATJ, magistrate, judge, or experienced attorney) who: (1) is trained to conduct mediations, (2) is very familiar with trademark law, (3) has experience litigating trademark cases, and (4) has experience drafting and negotiating settlement agreements involving issues of both use and registration.

3. How would the involvement be triggered? For example, by stipulation of the parties, by unilateral request, or by some other trigger? Examples of situations that might be used as triggers for required settlement discussions involving a non-party could include the use by the parties of multiple suspensions for settlement discussions which proved unsuccessful, or events such as the filing of an answer, the exchange of disclosures, the completion of some discovery, or the close of the discovery period.

**AIPLA RESPONSE.** The involvement of the Board or a third-party mediator in settlement discussions should be triggered only by stipulation of the parties. The parties should be allowed to stipulate to enter into Board-facilitated settlement discussions or third-party mediation through ESTTA at any time before a final decision issues.

4. How many triggers should there be that would prompt Board or mediator involvement in settlement talks? For example, apart from the initial discovery conference, should there be a follow-up inquiry from the Board in the middle of discovery, at the end of discovery, or before pre-trial disclosures are made and commencement of trial is imminent? Should there be a required phone conference after the second or any subsequent request to extend or suspend discovery for settlement?

**AIPLA RESPONSE.** As noted above, the involvement of the Board or a third-party mediator in settlement discussions should be triggered only by stipulation of the parties. The parties should be allowed to request such participation at any time before a final decision is issued. The Board should not require a phone conference after the second or any subsequent request to extend or suspend discovery for settlement. The Board could send a follow-up inquiry about the parties' interest in settlement discussions after an Answer has been filed, at the end of discovery, and/or before pre-trial disclosures are due, and require both parties to file a response through ESTTA.

5. To what extent should Board personnel involved in settlement discussions be recused from working on the case?

**AIPLA RESPONSE.** Any Board or USPTO personnel involved in settlement discussions should be recused from working or commenting on the case and barred from communicating with other Board personnel about settlement discussions or the merits of the case. Having a neutral person facilitate settlement discussions will encourage the parties to freely discuss the merits of their respective cases and possible areas of compromise. There should be strict confidentiality requirements in place prohibiting any Board, USPTO personnel, or other persons involved in settlement discussions from disclosing any information concerning the settlement discussions, the involved parties, or the case to anyone, including Board personnel involved with the case and the ATJ who will adjudicate the case.

6. Should motions for summary judgment, the vast majority of which are denied and do not result in judgment, be barred unless the parties have been involved in at least one detailed settlement conference? Should an exception to such a rule be made for motions based on jurisdictional issues or claim or issue preclusion?

**AIPLA RESPONSE.** Motions for summary judgment should not be barred or limited on any grounds, and the filing of such motions should not be tied to the timing or completion of settlement discussions. Under the current rules and disclosure model, the parties are required to discuss settlement during the mandatory discovery/settlement conference and before any summary judgment motion can be filed.

7. Should the parties be accorded only limited discovery until they have had a detailed settlement discussion with a Board judge, attorney or mediator, with the need for subsequent discovery dependent on the results of the discussion?

**AIPLA RESPONSE.** No. Discovery often facilitates settlement and, thus, should not be limited or dependent on any settlement discussions.

8. Should the Board amend its rules to require that a motion for summary judgment be filed before a plaintiff's pre-trial disclosures are due, and that the parties be required to engage in a settlement conference in conjunction with a discussion of plaintiff's pre-trial disclosures?

**AIPLA RESPONSE.** The Board should amend its rules to require that a motion for summary judgment be filed before the plaintiff's pre-trial disclosures are due. This will save the parties the time and resources of preparing pretrial disclosures when the case or an issue may be decided by summary judgment. However, the Board should not require that the parties engage in settlement discussions in conjunction with a discussion of plaintiff's pre-trial disclosures.

AIPLA appreciates the opportunity to comment on this important proposal. Please contact us if you would like more details on any issue discussed above.

Sincerely,



Q. Todd Dickinson  
Executive Director  
AIPLA