



The Basics of TTAB Opposition & Cancellation Proceedings

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Meet The Speakers



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Agenda

- **Housekeeping**
 - CLE
 - Questions
 - Materials
 - <http://www.fr.com/webinars>
- **Agenda**
 - Nature of Board Proceedings
 - Phases of a TTAB Proceeding
 - Mistakes to Avoid
 - ACR
 - Judicial Review and Preclusion

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Nature of Board Proceedings

TTAB Proceedings – *What's Covered*

- **Mechanism to challenge registrations not use.**
 - Opposition: a proceeding to determine whether your opponent's trademark **application** is eligible for registration and/or violates your trademark rights.
 - Cancellation: a proceeding to determine whether a **registered** mark violates your trademark rights or is otherwise not entitled to registration.
- **Why file an opposition or cancellation?**
 - To keep the Register clear
 - Flexibility with settlement
 - More cost effective than federal court actions
 - If the mark is not yet in use
 - TTAB oppositions are adjudicated by government lawyers who are trademark experts and decide issues of fact
- **Downside of TTAB proceedings?**
 - Remedies are limited
 - Preclusion issues

TTAB Rules

- FRCP generally apply but there are specific TTAB rules. Make sure you carefully check the Trademark Board Manual of Procedure (“TBMP”) (see here: [TBMP \(uspto.gov\)](#)).
- The TBMP itself follows 37 CFR Section 2 - [TFSR \(uspto.gov\)](#). Although often the TBMP quotes directly from the CFR, it is still a good idea to check the CFR directly.
- TTAB proceedings are similar to federal court litigation regarding process, but everything is submitted *in writing*, meaning there is a trial period but no actual trial.
- The TTAB has its own body of case law. Federal court cases are not binding. It is best to rely mainly on TTAB or CAFC cases. BUT many TTAB decisions are not precedential (only 35-50 a year are precedential).

First Step – Usually an Extension of Time to Oppose

- **Watch services or other monitoring alerts you to a new filing.**
- **Once published, you have 30 days to file a Notice of Opposition or Extension of Time.**
- **Extensions:**
 - 30 days with no fee, or 90 days for good cause for \$200 (e.g. discussing settlement).
 - If you only request 30 days, you can then request 60 days upon good cause shown (\$200).
 - Further extensions up to an additional 60 days are available with the other side's consent (no fee).
- **Always file in the name of the right party!**

Types of Proceedings - Oppositions

- **4,951 oppositions filed in 2022 through Q3.**
- **Grounds for an opposition:**
 - Likelihood of confusion
 - Dilution
 - False suggestion of a connection with persons, living or dead, [or] institutions...
 - No bona fide use
 - Merely descriptive

See TBMP § 309.03(c)(1); 15 USC §§ 1052, 1063

Likelihood of Confusion

15 U.S.C. § 1052(d)

- No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it [...] *Consists of or comprises a mark which so resembles a mark **registered** in the Patent and Trademark Office, or a mark or trade name previously **used** in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive.*
- Can be based on common law rights.
- Can be grounds to oppose an intent-to-use application but only entitled to final judgment when use is established.

Dilution

15 U.S.C. § 1125(c)

(c) Dilution by blurring; dilution by tarnishment

(1) Injunctive relief

Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

(2) Definitions

(A) For purposes of paragraph (1), a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner. In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

- (i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.
- (ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark
- (iii) The extent of actual recognition of the mark
- (iv) Whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.

False Suggestion of a Connection

15 U.S.C. § 1052(a)

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

(a) Consists of or comprises immoral, deceptive, or scandalous matter; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute; or a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in [section 3501\(9\) of title 19](#)) enters into force with respect to the United States.

- No proprietary rights required.
- Key Cases:

University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., 703 F.2d 1372, 217 USPQ 505 (Fed. Cir.1983), *aff'd* 213 USPQ 594 (TTAB 1982); *NPG Records, LLC and Paisley Park Enterprises, LLC v. JHO Intellectual Property Holdings LLC*, 2022 USPQ2d 770 (TTAB 2022); *In re Thomas D. Foster, APC*, Serial No. 87981611 (September 19, 2022)



No Bona Fide Use/Intent-To-Use

- If the Applicant can present no documentary evidence presented as of or prior to the filing date, it is at risk of having its application being void *ab initio*.
- Burden of proof lies with the Opposer but then shifts to the Applicant.
- Opposers commonly amend to include this claim after discovery reveals that use or intent to use is lacking.

Types of Proceedings - Cancellations

- **1,736 cancellation actions filed in 2022 through Q3.**
- **Grounds** (15 U.S.C. §§ 1064;1052(a)-(c))
 - Likelihood of confusion – *within 5 years of registration*
 - Generic – *no time limit*
 - Abandonment – *no time limit*
 - Excusable non-use can be fairly easy to show. See *ARSA Distributing, Inc. v. Salud Natural Mexicana S.A. de C.V.*, 2022 USPQ2d 887 (TTAB 2022).
 - Fraud – *no time limit*
 - Must have *knowingly made a false statement with intent to deceive* but reckless disregard for the truth may qualify. See *In re Bose Corporation*, 580 F.3d 1240 (Fed. Cir. 2009); *Chutter, Inc. v. Great Management Group, LLC and Chutter, Inc. v. Great Concepts, LLC*, 2021 USPQ2d 1001 (TTAB 2021)
 - Non-enforcement of certification marks– *no time limit*
 - Use to misrepresent the source of goods– *no time limit*

Types of Proceedings - Cancellations

- **Grounds (*continued*)**
 - Use to misrepresent the source of goods – *no time limit*
 - Different than likelihood of confusion.
 - Must be deliberate attempt to pass off one's goods as those of another.
 - *Bayer Consumer Care AG v. Belmora LLC*, 110 USPQ2d 1623 (TTAB 2014)



- Registered in violation of statutory prohibitions (flags/coats of arms of a governmental entity, name or portrait of a living individual, a red cross) – *no time limit*

Types of Proceedings – Concurrent Use Proceedings

- Initiated by a party who wants to “carve up” trademark rights by territory.



- Party A owns a federal registration; Party B has been using the same mark for a long time and has priority over Party A in certain areas of the country. Party B can file a trademark application seeking a concurrent use registration, and the Board will then initiate an *inter partes* proceeding. The parties then battle it out over who has priority where and how to carve up the country.

Types of Proceedings – Interferences

- A mechanism for the TTAB to determine “which, if any, of the owners of conflicting applications . . . is entitled to registration.” 15 U.S.C. § 1066.
- Only the Director can grant a petition for interference.
- USPTO issued a 2017 notice regarding [Removal of Rules Governing Trademark Interferences](#).



Types of Proceedings – Expungement/Reexamination

- **What?** Brand new mechanisms whereby registrations for marks that have never been used can be *expunged* from the register or re-examined.
- **When?** A petition for expungement may be filed between the third and tenth year of registration.
- **Note:** A petition must include a sworn statement that a reasonable nonuse investigation was conducted (with a description of the investigation and what it revealed), and a factual statement for the basis of the petition. See TMEP Section 1716.02(c)(ii).
- There is no opportunity to take testimony in an expungement proceeding. So don't rule out an abandonment claim if it's available.
- Current list at <https://www.uspto.gov/trademarks/apply/expungement-and-reexamination-petitions-received>



Opposition and Cancellation Proceedings and Procedure

Phases of a TTAB Proceeding

Pre-Filing Investigation

Initial Filings/Pleadings

- Extension Requests
- Notice of Opposition /
Petition for Cancellation
- Institution Order
- Answer



Discovery

- Initial Disclosures
- Written Discovery
- Document Discovery
- Expert Discovery
- Depositions



Motions

- Motion to Compel
- Motion for Summary
- Judgment

Testimony Period

Trial Period

Who May Bring an Action?

Standing or “entitlement to a statutory cause of action” – *must be pleaded and proved in every case.*

- **Descriptiveness grounds** – *a sufficient interest in using the descriptive term counts shown by admissible evidence (being a competitor will usually suffice).*
- **Likelihood of confusion grounds** –
 - *If a registration or a pending application, attach title & status copy as exhibits to Notice / Petition or submit during testimony period.*
 - *If pending application is refused based on the registration, enter the Office Action into evidence.*
 - *If relying on priority of use, this must be proved through competent evidence.*

Commencement of a TTAB Proceeding

- All notices of opposition and petitions to cancel must be filed via ESTTA (Electronic System for Trademark Trials and Appeals)
- The Board serves the defendant based on the email or address of record for the owner of the application or registration
- The Board issues a notice of institution, which sets forth the schedule for the case
- The typical schedule spans just over 1.5 years, though it is typical for the Board to grant requests for extensions of time
- Note that several important deadlines that are keyed off of other deadlines (e.g., deadline to file a motion for summary judgment) are not included in the institution order and must be docketed separately

Time to Answer
Deadline for Discovery Conference
Discovery Opens
Initial Disclosures Due
Expert Disclosures Due
Discovery Closes
Plaintiff's Pretrial Disclosures Due
Plaintiff's 30-day Trial Period Ends
Defendant's Pretrial Disclosures Due
Defendant's 30-day Trial Period Ends
Plaintiff's Rebuttal Disclosures Due
Plaintiff's 15-day Rebuttal Period Ends
Plaintiff's Opening Brief Due
Defendant's Brief Due
Plaintiff's Reply Brief Due
Request for Oral Hearing (optional)
Due

Answer, Defenses, and Counterclaim

- Respondents have 40 days from the scheduling order to file an Answer
- Some affirmative defenses typically available in court are *not* available or apply in *narrower* circumstances in opposition and cancellation proceedings
 - No fair use defense under Section 33(b)(4), 15 U.S.C. § 1115(b)(4)
 - Equitable defenses such as laches and acquiescence rarely apply
- Only one counterclaim available—for cancellation of the adverse party’s registration, though this may be based on a variety of grounds including priority of use, genericness, fraud, etc.
- *Any defense that may be a challenge to validity of an asserted registration, including the affirmative defense of priority, must be lodged as a counterclaim.* TBMP § 311.02; 37 C.F.R. § 2.114(b)(3)(ii)

Default Judgment

- Plaintiffs should **track the defendant's answer deadline** in case of default.
- If a defendant fails to file an answer, the Board may issue a notice of default on its own initiative.
- The notice of default will give the defendant **30 days from the notice** to show cause why default judgment should not be entered against it.
- If the defendant fails to file a response, or files a response that does not show good cause, default judgment may be entered against it.
- When the **defendant is in default, the parties' discovery obligations** (including the discovery conference) **are stayed**.

Discovery Conference and Opening of Discovery

- Parties are required to discuss, at a minimum:
 - 1) the nature and basis of their claims and defenses;
 - 2) the possibility of promptly settling or at least narrowing the scope of claims or defenses; and
 - 3) arrangements for disclosures, discovery, preserving discoverable information and introduction of evidence at trial.
- “The mere discussion of settlement among the parties does not substitute for a full discovery conference of subjects set forth in Fed. R. Civ. P. 26(f) and the Board’s institution order.”
TBMP § 401.01
- Consider whether you want to modify the Board’s two-tier Standard Protective Order. Confidential Attorneys’ Eyes Only means **outside counsel’s** eyes only!

Opening of Discovery

- Discovery opens on the same day as the discovery conference, but a party cannot serve discovery until it has served its initial disclosures.
- **Initial Disclosures** are due 30 days from the discovery conference BUT consider having them prepared in advance so you can serve discovery immediately.
- If the other party's initial disclosures are deficient, consider filing a motion to compel, but you must act quickly.
 - Motions to compel initial disclosures must be filed within 30 days of the initial disclosures deadline and must be supported by a showing that the party has made a good faith effort, by conference or correspondence, to resolve the issue with the other party but the parties were unable to resolve their differences. 37 C.F.R. § 2.120(f)

Notes on Discovery

- **Expert disclosures deadline** – also the last date on which a party can serve written discovery.
- **Depositions**
 - For a non-party you will need a subpoena from a district court.
 - May be taken in written form and must be taken in written form if the deponent is abroad. TBMP § 404.03
- **Discovery Requests**
 - 75 is the limit to interrogatories, document requests, and requests for admission. TBMP § 405-407
 - Try to avoid the word “including”. Review the TBMP (Sections 405.03(d)), 406.05(d), and draft your requests carefully.
 - On the flip side, if you receive compound requests that total more than 75 of any one category, do not respond separately to each one. Instead, issue general objection on the ground of the excessive number of requests. Otherwise, you waive your objection.

75

Motions to Compel

- The Board will stay a proceeding upon the filing of a motion to compel.
- But a motion to compel **does not** toll the deadline for required disclosures or to respond to discovery requests served prior to the motion to compel.
- **Requirements:**
 - Meet and confer (by conference or correspondence)
 - Note that a single email exchange may be *insufficient*
 - A copy of the request for discovery and response
- **Deadlines to file a motion to compel:**
 - For **initial disclosures**, within 30 days of the initial disclosures deadline
 - For **expert testimony disclosure**, prior to the close of the discovery period
 - For **discovery**, before the day of the deadline for pretrial disclosures for the first testimony period

Motion for Discovery Sanctions

- You must move to compel disclosure or discovery before moving for sanctions
- *Exception:* You may move for sanctions when the opposing party refuses to participate in a discovery conference, but you must provide evidence of a good faith effort to schedule the conference
- Potential sanctions:
 - striking all or part of the pleadings of the disobedient party;
 - refusing to allow the disobedient party to support or oppose designated claims or defenses;
 - prohibiting the disobedient party from introducing designated matters in evidence; and
 - entering judgment against the disobedient party.

(TBMP § 527.01)

Trial Periods & Briefing

- **Discovery Closes**
 - 44 days later **Motions for summary judgment are due** (*not listed in scheduling order*)
 - 45 days later pre-trial disclosures are due. *You cannot present testimony from individuals not disclosed!*
- **Trial Period:**
 - Plaintiff – 30 days
 - Defendant – 30 days
 - Plaintiff – 15 days for rebuttal period

Trial Periods & Briefing

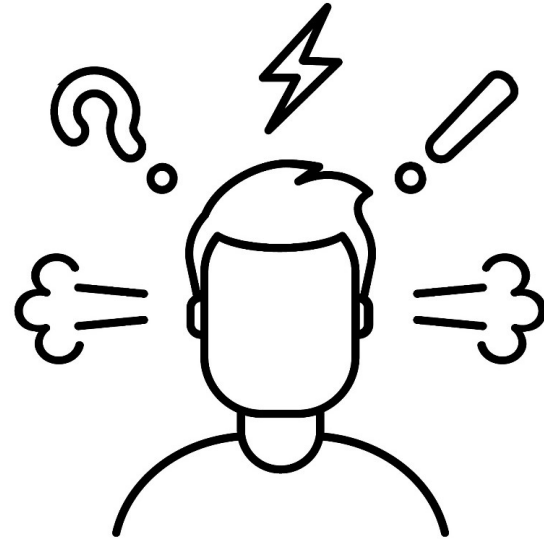
- **Evidence**

- Must put in all of the evidence on which you will rely during this period.
- Testimony depositions, documents, ESI, affidavits or declarations, stipulations, admissions, interrogatory answers, and materials in the record.
 - Direct examination may be in writing for US witnesses, but cross-examination must be done orally. See *Laverne J. Andrusiek v. Cosmic Crusaders LLC*, 2019 USPQ2d 222984 (TTAB 2019).
- Notices of Reliance - Pleaded applications/registrations, the other side's disclosures or discovery responses, internet materials not offered for the truth of the matter, and printed publications (such as dictionary definitions) may be submitted into evidence without testimony.

- **Briefing & Oral Hearing**

Mistakes to Avoid

- Failure to submit a title and status copy of pending application or office action = no standing!
- Failure to submit testimony about use = no prior rights. No standing!!!
- Failure to file pretrial disclosures = no ability to submit testimony!



Accelerated Case Resolution (ACR)

- ACR is a tool available to parties that want to streamline the full discovery, trial, and briefing process in a typical Board proceeding.
- ACR comes in different forms with varying degrees of time and cost savings.
- A common form is to forego the testimony and trial stages and instead rely on motions for summary judgment, similar to a summary bench trial.
- Other ACR approaches include:
 - Limiting number of discovery requests to less than 75
 - Limiting number or duration of depositions
 - Agreeing that discovery depositions may be part of the trial record
 - Fact stipulations, particularly on facts underlying straightforward issues (such as standing or priority of use)
 - Stipulating to the admissibility of certain evidence
 - Revising length of briefs / briefing periods
- Both parties must consent to use ACR and present a written agreement or stipulation outlining the procedure for approval by the Board.
- ACR should be considered early in the proceeding but can be adopted even after discovery has concluded.

Claims Suitable for ACR

- The Board will consider ACR for almost any claim unless it finds that the complexity or novelty of the facts and/or legal theory of the case requires a full trial
- The Board considers ACR to be most appropriate in cases in which:
 - Little discovery is necessary
 - The parties stipulate to many facts
 - Each party expects to rely on the testimony of one or two witnesses only
 - The overall record will not be extensive
- ACR may not be suitable when:
 - The parties have generated a large record
 - The claims/defenses present complicated factual or legal issues
 - The parties are unwilling to stipulate to facts or procedural matters (i.e., limitations on discovery)

Judicial Review of TTAB Proceedings: Preclusive Effect

You lose a TTAB proceeding, *what now?*

- Appeal to the Court of Appeals for the Federal Circuit OR to any district court with jurisdiction.
 - CAFC – reviews the record from the TTAB. BUT, if the other party objects to this venue, they have 30 days to commence an appeal in a district court. 15 U.S.C. § 1071(a)
 - District court reviews the case *de novo*. If you want to get additional evidence or additional claims in, this is your best option. 15 U.S.C. § 1071(b)

Judicial Review of TTAB Proceedings; Preclusive Effect

- The Supreme Court has explicitly held that “a court should give preclusive effect to TTAB decisions if the ordinary elements of issue preclusion are met.” *B & B Hardware, Inc. v. Hargis Indus., Inc.*, 575 U.S. 138, 141–42; see also TBMP 510.02(a).
- Several courts have refused to re-litigate the issue of likelihood of confusion even if the TTAB did not fully explore marketplace usage. *Cesari S.r.L. v. Peju Province Winery L.P. et al.*, Civil Action No. 17 Civ. 873 (NRB) (S.D.N.Y. Dec. 11, 2017); *Buzz Seating, Inc. v. Encore Seating, Inc.*, Case No. 1:16-cv-1131, 2017 WL 2619340, at *5 (S.D. Ohio Jun. 16, 2017).
- But the Ninth and Third Circuits have held that because the TTAB has no power to grant injunctive relief or award damages on an infringement claim, or to hear a 43(a) claim, it would be unfair to preclude someone from bringing those claims and seeking that relief in federal court. *Beasley v. Howard*, 14 F.4th 226 (3rd Cir. 2021); *V.V.V. & Sons Edible Oils Ltd v. Meenakshi Overseas, LLC*, 946 F.3d 542 (9th Cir. 2019). But district courts in other circuits have come out other ways.
- **Bottom line:** inconsistency and unpredictability

Questions?





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Thank You!

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