

THE TRADEMARK TRIAL AND APPEAL BOARD  
PUBLISHES NEW RULES OF PRACTICE

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*Get used to thinking that there is nothing Nature loves so well as to change existing forms and to make new ones like them.* Marcus Aurelius Antoninus [A.D. 121-180]

On August 1, 2007, the U.S. Department of Commerce announced sweeping changes to the Rules of Practice in *inter partes* matters (oppositions, cancellation proceedings, and concurrent use proceedings) before the Trademark Trial and Appeal Board (the “Board”) of the U.S. Patent and Trademark Office (the “USPTO”). The implications of these changes are significant for any party (and its counsel) who litigates trademark registrability proceedings before the Board. According to the announcement in the Federal Register Notice (Fed. Reg. Vol. 72, No. 147, at pp. 42242-42264) the rules changes were promulgated to increase the efficiency of Board proceedings, enhance settlement possibilities, encourage greater disclosure of information, and promote procedural fairness. The rules changes, in their final form, are a pleasant far cry from the draconian changes originally proposed on January 17, 2006 (Fed. Reg. Vol. 71, No. 10, at pp. 2498-2509), due to significant comments from the bar and industry groups.

I. Major Changes to the Board Rules

**Practice Tip:** As to all of the deadlines discussed in this article, if the Board approves, the parties may agree to suspend proceedings, extend dates, choose to forgo disclosures and agree to utilize only traditional discovery devices. The one instance when the Board is unlikely to suspend for settlement discussions is between the time an answer is filed and the deadline for the discovery conference.

1. Service of the Complaint

Service of the complaint on the defendant is now made by the plaintiff, instead of by the Board as under prior practice (effective November 1, 2007). Trademark Rules 2.101 (Notice of Opposition) and 2.111 (Petition to Cancel). By this direct service approach, the Board intends to increase procedural efficiency at the earliest stage – by exiting the business of serving defendants when it is presumed that the plaintiff has better information to accomplish this task.

**Practice Tip:** There is no duty to serve an opposition or cancellation on the defendant other than at the appropriate correspondence address of the current owner of record or its designated representative as indicated by the records of the USPTO. In an Opposition proceeding, service generally will be made on the Applicant’s attorney-of-record or the Applicant itself if it prosecuted the Application *pro se*. In a Cancellation proceeding, service will be made upon the last address for the current owner made of record. It is advisable to check the USPTO’s online prosecution and assignment

databases as well as the registration file history for this information. The plaintiff should not forget that, starting November 1, 2007, the opening pleading in an opposition and cancellation proceeding must be accompanied by a Certificate of Service in compliance with Trademark Rule 2.119. Now that we are in the 21<sup>st</sup> century, the Board is encouraging parties to agree to service by e-mail. Trademark Rules 2.99(c), 2.105(a), 2.113(a).

## 2. Mandatory Standard Protective Order

The Board's Standard Protective Order ("SPO") is applicable to all *inter partes* Board proceedings, except for those cases already pending that have a negotiated protective order in place prior to August 31, 2007. Trademark Rule 2.116(g).

**Practice Tip:** The parties may agree to modify the Board's SPO to meet specific needs in any particular case. If the parties agree that the Board's SPO is too complicated or provides insufficient protection, they are encouraged to negotiate their own form, or exceptions to the Board's form. A common situation encountered in Board proceedings is where one party is without counsel (*pro se*). The exchange of confidential information in that circumstance may not be appropriate, whether under a negotiated protective order or using the Board's form. A motion to prohibit the exchange of confidential information in this situation may be needed.

## 3. Initial Conference of the Parties

Within 70 days from the date of the Board's institution order, and no later than the opening of the discovery period, the parties are required to engage in a discovery/disclosure/settlement conference to discuss the subjects set forth in Rule 26(f), Fed.R.Civ.P., as well as any subjects set forth in the Board's institution order. The subjects in Rule 26(f) are: the nature and basis of the parties' claims/defenses; possibility for a prompt settlement; arranging for the disclosures required under Rule 26(a)(1), Fed.R.Civ.P.; discussion of issues relating to preserving discoverable information; and developing a proposed discovery plan. A Board Interlocutory Attorney or Administrative Trademark Judge will participate in the conference only if timely and properly requested by a party. Trademark Rule 2.120(a). A motion for sanctions under Trademark Rule 2.120(g)(1) for failure of a party to participate in the required discovery conference must be filed prior to the initial disclosure deadline.

**Practice Tip:** If the adverse party has shown a prior tendency of being uncooperative, or if the adverse party is without counsel, timely requesting the participation of a Board professional at the parties' conference is recommended.

## 4. Mandatory Reciprocal Disclosures

### a. Initial Disclosures

No later than 30 days after the opening of the discovery period, initial disclosures of “basic information” about a party’s witness(es) and documents must be made. Trademark Rule 2.120(a)(2) and Rules 26(a)(1)(A) and (B), Fed.R.Civ.P. A party must make initial discovery disclosures before seeking general discovery, Trademark Rule 2.120(a)(3), and motions to compel relating to initial disclosures must be filed before the close of the discovery period. Trademark Rule 2.120(e)(1).

**Practice Tip:** Unlike prior practice before the Board, a party will now be compelled (without waiting for the service of discovery from an adverse party) to provide certain basic information concerning its witnesses and documents. The client should understand up front that the exchange of business information in Board cases is highly likely and will occur early in the proceedings. Counsel should engage the client as soon as practicable to ensure that this information is readily available for preparation of mandatory disclosures early in the proceedings.

#### b. Expert Witness Disclosure

Even though expert witness testimony in Board proceedings is rare, information identifying such potential evidence must now be disclosed 30 days prior to the close of the discovery period in accordance with Rule 26(a)(2), Fed.R.Civ.P. Trademark Rule 2.120(a)(2). Motions to compel relating to expert testimony disclosure must be filed prior to the close of the discovery period, whereas motions to compel general discovery must be filed prior to the opening of the first testimony period. Trademark Rule 2.120(e)(1).

**Practice Tip:** If a party believes that it is involved in a Board proceeding requiring expert testimony (*e.g.*, concerning surveys, linguistics, or the meaning of technical terms or sophisticated trade channels), retention of and working with an expert should begin at least mid-way through the discovery period.

#### c. Pre-Trial Disclosures

Pre-trial disclosures of intended witness testimony and documentary evidence a party intended to utilize during its testimony (trial) period was not previously required in Board proceedings. Under the new Rules of Practice, fifteen (15) days prior to the opening day of each party’s testimony period, that party must disclose the details of each witness from whom it intends to take testimony, as well as a “general summary or list of subjects” on which the witness is expected to testify, and a “general summary or list of the types of documents and things” which may be introduced during the witness’ testimony. Trademark Rule 2.121(e). If pretrial disclosures are not timely made, the rules provide that the adverse party may move to delay or reset deadlines and testimony periods. Trademark Rule 2.121(e). Trademark Rule 2.120(j)(3)(i) provides, *inter alia*, that written disclosures (excluding documents) may be offered as evidence at trial.

**Practice Tip:** The importance of documenting one’s intended testimony and exhibits prior to the opening of the testimony period(s) cannot be overstated. The

requirement of pre-trial disclosures is a new creature to Board proceedings. In order to stave off a motion to strike evidence from the record, preparation and timely service of these pre-trial disclosures should be done with great care.

## II. Other Rules Changes

1. The Board previously did not allow a plaintiff to make its pleaded registrations of record by filing mere copies of the USPTO's relevant records. This longstanding rule has now been changed. Under the new Rules, one method of making a plaintiff's pleaded registrations of record is by filing printouts from the USPTO's electronic database records (TARR and Assignment), to establish the status (subsistence) and title (ownership) of the registrations. Trademark Rule 2.122(d)(1).

2. With few exceptions, motions for summary judgment may not be filed until after the moving party has served its initial discovery disclosures. Trademark Rule 2.127(e)(1).

3. The Board left the number of allowable interrogatories, counting subparts and compound questions, at 75. Trademark Rule 2.120(d).

4. The Board has clarified that page limits for briefs on motions shall include the pages used for tables of contents and authorities, descriptions of the record, statements of issues, recitations of facts, argument and any summary. Trademark Rule 2.127(a).

5. A Notice to the defendant of a Board proceeding by publication in the Official Gazette will apply to oppositions as well as cancellation proceedings. Trademark Rule 2.118.

6. Technology has moved on – the option to file materials with the Board via CD-ROMs has been deleted. Trademark Rule 2.126(a)(6).

## III. Practical Considerations

**Settlement:** The Board's new regime of mandatory disclosures and communications may indeed present early avenues for settlement – saving the client time and money. Consider requesting and/or agreeing to suspend proceedings for settlement discussions, extending due dates, and engaging in non-traditional, informal discovery exchanges where appropriate. Also consider the need to involve a Board Interlocutory Attorney or an Administrative Trademark Judge in the discovery and settlement conference process.

**The Informed Practitioner:** The interplay of the Trademark Rules of Practice and the Federal Rules of Civil Procedure in Board proceedings is now more complex. Even so, the proceeding remains an administrative trademark registrability matter and not a lawsuit. While the new Rules will make Board *inter partes* proceedings more analogous to U.S. court actions, the Board's jurisdiction remains limited to determining the right to obtain or maintain a trademark registration. Board proceedings still are

determined solely upon a written record, wherein live testimony is never heard. Although now more intricate in detail, proceedings before the Board remain different from court litigation. For those whose trademark portfolios rely upon rulings of the USPTO, knowledge of Board rules and practice is more important than ever.

#### IV. Summary

There are some positive attributes to the Board's Rules of Practice – most notably that they are not the Rules as first proposed in January 2006. In any event, the Rules have changed – some effective August 31, 2007 and others effective November 1, 2007.

Overall, are these changes of value to the disposition of proceedings before the Trademark Trial and Appeal Board? Without question, they are sweeping in nature and scope. During the next few years, as proceedings reach the various stages affected by the new Rules, the Board will be asked to interpret and apply them in specific fact situations. It is then we will learn if we have achieved the increased efficiency and fairness to the *inter partes* registrability process that the Board promised.

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