

Change is Coming: New Rules for TTAB Opposition and Cancellation Proceedings

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The United States Patent and Trademark Office recently issued final rules amending the Trademark Trial and Appeal Board Rules of Practice and raising fees for many transactions involving trademarks. The new rules and fees will take effect on January 14, 2017, and will apply to all proceedings filed on or after that date and, to the extent practical, to all proceedings that are pending on that date. A link to the new rules appears [here](#), and a link to the new fees appears [here](#). The new TTAB rules are intended to make proceedings in the Trademark Trial and Appeal Board more efficient and less costly, and formalize many of the Board's current practices.

Related Capabilities

- Trademark, Copyright + Advertising
- Intellectual Property Litigation

Electronic Communications

The new rules move TTAB practice toward paperless filing and docketing by strongly encouraging parties to file documents electronically through ESTTA, the Board's electronic filing system. The rules also encourage the parties to communicate with each other electronically by making e-mail the default system for service, and eliminate the practice of allowing parties extra time to respond to documents served by First Class Mail. The parties may agree in writing to service by means other than e-mail, but because the response time will not change if they do so, the parties may also wish to agree to provide a courtesy copy by e-mail at the time a document is served.

In addition, all documents that are required to be filed with the Board must be filed electronically through ESTTA, with only a few limited exceptions. If ESTTA is not operating when a document is due, in most, but not all, circumstances the filer may file the document by paper, along with a petition to the Director and the required \$200 fee for the petition, requesting leave to file a paper version of the document. This rule makes plain that there may now be a cost to waiting until the last minute to make a filing.

Commencing an Opposition or Cancellation

As under current practice, parties may obtain extensions of up to 180 days from publication to oppose an application. A request to extend the time to oppose an

application filed under Section 66 may be filed only electronically. There are no exceptions to this rule. It therefore is important not to wait until the last minute to request an extension if a Madrid application is involved. An extension request for an application filed under Sections 1 or 44 should be filed electronically, but if ESTTA is down, the request may be made through a paper filing accompanied by a petition to the Director and the required fee.

The opposition period for all applications is the same as under current practice, i. e., 30 days from publication. A party may request an initial extension of 30 days upon request, followed by a second request for a 60-day extension upon a showing of good cause, or one extension of 90 days upon a showing of good cause. It will no longer be possible to request an initial extension of 60 days. In addition, a party may request a final 60-day extension upon stipulation or with the consent of the applicant. Beginning on January 14, 2017, there will be a fee of \$100 for each electronically-filed extension request up to 120 days from publication, and \$200 for a final 60-day extension. The fees for filing these requests by paper will be \$200 and \$300, respectively.

The substance of a Notice of Opposition or Petition for Cancellation will not change from current practice, but there will be some important procedural differences. First, oppositions against Madrid applications must be filed electronically. There are no exceptions. Oppositions against applications filed under Sections 1 or 44 and Petitions for Cancellation should be filed electronically, but if ESTTA is down the Notice of Opposition or Petition for Cancellation may be filed by paper accompanied by a petition to the Director and the applicable fee. If a Notice of Opposition is being filed at the opposition deadline, or a Petition for Cancellation includes any claims based on grounds that are time-sensitive, the notice or petition may need to be filed using the Priority Mail Express procedure set forth in Trademark Rules 2.195-2.198 if ESTTA is down.

In addition, in an opposition against a Madrid application, the cover sheet to the Notice of Opposition will control the grounds and goods or services that are the subject of the opposition. Once the opposition deadline has passed, the opposer cannot add additional grounds or goods/services to an opposition against a Madrid application. Thus, it is crucial to confirm that all goods or services that will be the subject of an opposition against a Madrid application and all grounds for such an opposition are listed in the cover sheet before the time to oppose closes.

Finally, the Board will be reinstituting its pre-2007 practice of serving the Notice of Opposition or Petition for Cancellation. When a Notice of Opposition or Petition for Cancellation is in proper form, the Board will send an e-mailed notice of institution identifying the proceeding and containing a link to the electronic proceeding record to the opposer or its counsel and to the applicant or its attorney in an opposition, or in a cancellation, to the petitioner or its counsel and to the record owner of the registration that is the subject of the proceeding or its domestic representative, and, if the petitioner identifies an owner who is not the record owner, notice will also be sent to the alleged owner. A petition for cancellation must indicate, to the best of the petitioner's knowledge, the name, address and current e-mail address of the current owner of the registration.

Because of these new procedures, it is important that the owner of a registration keep its contact information current in the PTO's registration files.

Discovery

Under the new rules, discovery will be more limited and streamlined than under current practice. The new rules also afford the parties more flexibility to tailor discovery to the specific needs of their case by, for example, limiting its scope, shortening the response times or agreeing to reciprocal disclosures instead of formal discovery requests. Also, unlike practice under the present rules, requests must be served early enough in the discovery period that responses will be due before discovery closes. This means that a party will no longer be able to wait until discovery is about to close to serve its requests.

The scope of discovery will also be more limited. The new rules expressly incorporate the doctrine of proportionality, which is also made explicit in the revised version of the Federal Rules of Civil Procedure that took effect in December 2015, and has been a hallmark of the Board's decisions concerning discovery for many years. In addition, the number of document requests and requests for admission each will be limited to 75, including all subparts. As with the current practice with respect to interrogatories, a party who believes that it has been served with more than the allowed number of requests may respond by interposing a general objection, after which the propounding party may re-serve the discovery in amended form to comply with the limits imposed by the rules. A party may move to increase the discovery limits for good cause. Comments to the rules suggest that good cause may be found when the opposing party is a foreign entity that is not subject to a deposition in the U.S., or when the opposition involves multiple parties or an extensive list of goods or services. There is one exception to the 75 request limit for requests for admission to allow each party to serve one comprehensive request to authenticate documents that the opposing party produced in discovery. Such a request must identify the specific documents to which the request applies, and the responding party must admit which specific documents are authentic, and identify any that are not.

In general, a discovery deposition of a witness residing in a foreign country must be taken by written interrogatories unless the Board, upon motion for good cause, orders that the deposition be taken orally or the parties so stipulate. If an officer, director, managing agent or other witness of a foreign party will be present in the United States during the discovery period, that person may be deposed orally while in the U.S. There is no obligation on a foreign party to disclose if or when its witnesses will be traveling to the U.S. during the discovery period. It would be advisable, therefore, to include an interrogatory to a non-U.S. adverse party to request this information specifically if an oral deposition is of interest.

There also were changes to Trademark Rule 2.120(f), which governs motions to compel discovery. As with current practice, the parties must meet and confer in an attempt to resolve the issues before such a motion may be filed. The amendments to the rules, however, have imposed new time limits on when a motion to compel may be brought. A motion to compel a party to serve initial disclosures must be brought within 30 days of when the disclosures were due, or the motion is waived. A motion to compel involving

any other type of discovery request must be made promptly, and in no event may be brought after the first pre-trial disclosures are due.

The changes to the discovery rules will require parties to focus on the information that is most relevant to their cases, and should discourage broad, sweeping requests that amount to a fishing expedition. These changes will also benefit parties who start discovery early in the discovery period, and who are prompt in raising any discovery disputes.

Trial

Probably the modifications that have received the most attention are the changes to the manner in which evidence may be submitted during a party's testimony period. Under current practice, parties typically present evidence through oral testimony of one or more witnesses at a testimonial deposition, which is subject to the Federal Rules of Evidence. As at a trial in a court, the opposing party or its attorney may make objections to testimony or exhibits marked at the deposition, and may cross-examine the witness. Testimonial evidence may also be presented in other formats, such as through an affidavit or declaration, but only if the parties agree to that procedure.

This will change under the new rules, which will allow a party to decide unilaterally whether it wishes to present its direct testimony through an oral deposition or whether it prefers to do so through an affidavit or declaration, which can be considerably less expensive and time-consuming. Under the new Rule 2.123, a party may submit its direct testimony through an affidavit or declaration, which must comply with the Federal Rules of Evidence. When a party elects to present a witness's direct testimony in writing, however, the proffering party must make the witness available for cross-examination, which can be done orally if the witness is in the United States, or through written interrogatories if the witness is in a foreign country. A party electing to cross-examine an opposing party's witness must bear the expense of the cross-examination, which will consist primarily of paying for the court reporter and copies of the transcripts. The proffering party will be responsible for the cost of producing the witness. A notice to cross-examine a declarant or affiant must be served within twenty days of service of the affidavit or declaration, and must be filed with the Board. The deposition must be completed within thirty days of the date of the notice.

The new rules also specify the procedure for taking testimony from witnesses who are not located in the United States. Generally, testimony of a non-U.S. witness must be taken through written interrogatories. Accordingly, if a foreign witness submits a declaration in a TTAB proceeding, the cross-examination must be conducted through written interrogatories. The new rules, however, provide that if the non-proffering party serves a notice of taking testimonial deposition by written questions of a witness who will be in the United States at the time the deposition will be taken, the party seeking the deposition may, within twenty days of service of the notice, file a motion on good cause to have the deposition taken orally.

In addition to submitting trial evidence by testimony or affidavit/declaration, as in the past a party may submit certain types of evidence, such as printouts of registrations, printed publications, internet materials and the like, through a Notice of Reliance. The rules have clarified, but not changed, certain aspects of the requirements for evidence that may be submitted through a Notice of Reliance.