

TTAB Appeal Fees – Winner Does Not Take All

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by Cathy Dahl



We recently wrote about the decision in the federal district court for the Eastern District of Virginia, which overturned in part the Trademark Trial and Appeal Board's decision that the mark "Booking.com" is not registrable because the mark is generic. The route of the appeal of the refusal decision was unusual because Booking.com, B.V. did not appeal the refusal to the Court of Appeals for the Federal Circuit. The end result was a determination of acquired distinctiveness for BOOKING.COM for hotel reservation services in Class 43 and the applications remain pending at the U.S. Patent and Trademark Office ("PTO").

But at what cost? Well, at a minimum...\$76,000. The District Court awarded the fees to the PTO last week, based upon the Fourth Circuit's interpretation of the "all expenses" language in the Lanham Act. Because Booking.com pursued its appeal to a district court, it must pay the PTO's expenses for the time its lawyers spent on the appeal. And the obligation stands whether the PTO prevails on appeal.

Does this result potentially limit the ability of a less opulent applicant to seek relief in the district court, where the outcome may be more just? It was important for Booking.com to supplement the record by submitting a "Teflon survey" showing trademark distinctiveness, an option that would not have been available to it on appeal to the Federal Circuit.

This relatively new interpretation of "all expenses" to include lawyer's fees seems to function like a road block to the district courts. While the district court option may strategically be most appropriate in some circumstances, the majority of applicants may not be in position to pursue the appeal route based on cost, even if the PTO has erred. If the PTO has erred, shouldn't it be responsible for its own fees?

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