

USPTO Announces Rule Requiring Foreign Trademark Owners to Obtain U.S. Counsel

July 18, 2019 – *The TMCA*

by Elizabeth C. Buckingham and Alison Jarzyna



Earlier this year the United States Patent and Trademark Office proposed a rule requiring foreign-domiciled trademark applicants, registrants, and parties to Trademark Trial and Appeal Board Proceedings to be represented by licensed U.S. attorneys. Following public comments, the PTO issued the final rule on July 2, which will become effective on August 3, 2019.

The comments revealed that stakeholders such as the International Trademark Association, the American Bar Association,

and the American Intellectual Property Law Association, as well as corporations were supportive of the proposed rule, and generally pleased to see the PTO's action to help maintain the integrity of the register and prevent fraudulent filings. While many commenters showed support for the rule, they also expressed concern that these measures are not enough, and that additional mechanisms should be required.

The rule requires foreign-domiciled trademark applicants, registrants, and parties to Trademark Trial and Appeal Board proceedings to be represented by licensed U.S. attorneys. According to the PTO, a "foreign-domiciled" trademark applicant, registrant, or party is 1) an individual with a permanent legal residence outside of the U.S. or its territories; and / or 2) an entity with its principal place of business outside of the U.S. or its territories.

U.S.-licensed attorneys representing applicants, registrants, or parties to USPTO proceedings already must provide their name and contact information and identify the jurisdiction of their bar licensure. Because of the new rule, U.S.-licensed attorneys will

Related Capabilities

- Trademark, Copyright + Advertising
- Intellectual Property Litigation

now also need to provide their bar identification number (if available) and their year of admission to the jurisdiction.

The applicability of the new rule to Section 66a filings under the Madrid Protocol is more nuanced. For the very small percentage of Madrid Protocol filings that comply with all formalities and statutory requirements upon filing and are in a condition for publication, the U.S. counsel requirement will not apply. As the PTO explained, there is currently no provision for designating a U.S. or any other local attorney in an application submitted to the International Bureau of the World Intellectual Property Organization, and so until the Madrid system is updated to allow for the designation of a U.S. attorney upon filing, the requirement would be waived. (The USPTO reported that only 2.9% of all Madrid applications in 2017 met this criteria). However, for Madrid applications that do not comply with all requirements upon filing, the requirement of a U.S.-licensed attorney will be made in all provisional refusals.

The rule also carves out an exception for countries that have reached an official understanding with the PTO to allow substantially reciprocal privileges to U.S. practitioners representing U.S. entities in their trademark office. At this time, only the United States and Canada have such a relationship. The impact of this rule will be to continue to let Canadian trademark attorneys and trademark agents represent clients, but to prohibit Canadian patent agents from representing clients in new filings.

The PTO sought comments on whether the PTO should 1) defer examination until the applicant appoints U.S. counsel, or 2) conduct a complete examination of the application and include the representation requirement among the issues in an office action that gives applicants six months to correct the deficiencies. Most commenters strongly encouraged the PTO to defer examination on any application until U.S. counsel is appointed, so the PTO would not be held up by potentially fraudulent applications filed by foreign applicants.

Despite stakeholders' recommendation, the PTO decided against deferral, explaining that its current electronic systems cannot accommodate this method, but that it would explore ways to update its system to do so. Interestingly, however, the PTO adopted a course stronger than deferment for TEAS Plus applications. The PTO made the U.S. attorney and bar information required fields and applications will be refused a filing date unless these fields are completed.

The new rule is just one new measure from the PTO to curb fraudulent filings with the USPTO. Now that the rule will take effect on August 3, 2019, it will be interesting to see whether the requirement of a licensed U.S.-attorney will lessen the number of fraudulent filings with PTO.

Watch The TMCA for updates regarding this new rule and related issues.