

New TTAB Rule Changes Take Effect In 2017

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The Trademark Trial and Appeal Board (TTAB), which decides issues of trademark registrability, recently sought comments regarding certain rule changes to the TTAB Rules of Practice. On October 7, 2016, the U.S. Patent and Trademark Office (USPTO) published Miscellaneous Changes to Trademark Trial and Appeal Board Rules of Practice, 81 Fed. Reg. 69950, formally adopting many of the proposed rule changes (Amended Rules). This is the first proposed major rules change since 2007. The new rules are effective for all cases filed and pending as of January 14, 2017, and may change how trademark litigants approach their cases.

New Rule Proposals for the TTAB

Following the U.S. Supreme Court's ruling in *B&B Hardware v. Hargis Industries* last year, concerns were raised about the likelihood of TTAB proceedings becoming more complicated and expensive, with the parties seeking a broader scope of discovery. The changes to the TTAB Rules of Practice appear to address some of these concerns. The most significant proposed rule changes include:

1. *Electronic Filing.* Under the Amended Rules, all submissions to the TTAB must be filed through the TTAB's electronic filing system, ESTTA absent extraordinary circumstances or technical difficulties. Well over 95 percent of filings are already submitted to the TTAB using ESTTA, but for the few remaining practitioners still making submissions by paper, this rule would now require a change to electronic filing. Notably, extensions of time to oppose and notices of opposition against applications filed under the Madrid Protocol, must be filed through ESTTA with no exceptions.
2. *Electronic Service and Responsibility of Service.* All documents in a proceeding must now be served by email, which means that the rule no longer provides for a 5-day mail delay extension to responses. In instances of large electronic files, the TTAB encourages the parties to agree on alternative methods of electronic service, such as cloud storage and USB drives. Also, the TTAB will now serve notices of opposition, petitions for cancellation, and concurrent use proceedings by email, by way of an email notice that will contain a link to the Trademark Trial and Appeal Board Inquiry System (TTABVUE).
3. *Requirements for Complaint against Madrid Protocol Applications.* For opposition proceedings initiated against Madrid Protocol applications, the goods and/or services opposed and the grounds for opposition are limited to those set forth in the ESTTA cover sheet and cannot be amended. For applications filed under Sections 1 and 44, 15 U.S.C. 1051 and 1126, the ESTTA cover sheet is considered part of the complete complaint, and the scope of the opposition is not necessarily limited to the ESTTA cover sheet. Further, amendments to the complaint against these applications continue to be in accordance with Rule 15 of the Federal Rules of Civil Procedure.

4. *Streamline discovery and pretrial procedure.* The Amended Rules adopt the 2015 amendments to the Federal Rules of Civil Procedure by codifying the concept of “proportionality” in discovery. This means that the parties must consider the significance and cost of the discovery sought. Further, all discovery must now be served early enough such that all responses, objections, and documents be served and produced on or before the discovery period closes. The deadline for serving all responses and objections to interrogatories, requests for production of documents, and requests for admission is now 30 days from the date of service of such requests, eliminating the additional 5-day mail extension rule for discovery as well. The number of requests for production of documents and requests for admission has been limited to 75 each, which matches the current TTAB interrogatory limit.
5. *Testimony by affidavit.* The Amended Rules allow parties unilaterally to take testimony by affidavit or declaration, with the right for oral cross-examination. This is probably the most significant of the proposed changes, and the most likely to create problems. This is a strict departure from federal court procedure, and may be particularly concerning in light of the increased importance of TTAB proceedings following *B&B Hardware*.

Practical Effects

The key takeaway from the Amended Rules is diligence in discovery and timely electronic filings. The primary purpose of the rule changes is to increase efficiency and decrease cost; however, with the increased importance of discovery in TTAB following *B&B Hardware*, it is difficult to gauge how these changes will actually play out for TTAB litigants.

Conclusion

It is now more important than ever for brand owners to take TTAB proceedings seriously and discuss with their trademark attorney what strategy is best suited for their case.