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Sent: Tuesday, May 31, 2016 5:06 PM
To: TTABFRNotices <TTABFRNotices@USPTO.GOV>
Subject: INTA Comments: PTO-T-2009-003

To Whom it May Concern,

Attached please find the International Trademark Association Comments in Response to Miscellaneous Changes to Trademark Trial and Appeal Board Rules of Practice**,** PTO-T-2009-0030 – Federal Register Vol. 81, No. 64 on April 4, 2016.

Thank you,

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International Trademark Association Comments in Response to:

Miscellaneous Changes to Trademark Trial and Appeal Board Rules of Practice

PTO-T-2009-0030 – Federal Register Vol. 81, No. 64 on April 4, 2016

The International Trademark Association (INTA) appreciates the opportunity to provide comments in response to the notice of *Miscellaneous Changes to Trademark Trial and Appeal Board Rules of Practice* (Proposed Rule(s)) of the United States Patent and Trademark Office (USPTO) to amend the Trademark Rules of Practice pertaining to practice before the Trademark Trial and Appeal Board (Board). The USPTO Subcommittee of INTA's Trademark Office Practices Committee prepared the following comments.

Comments

INTA commends the Board's efforts to provide more efficiency and clarity in *inter partes* and *ex parte* proceedings. Further, INTA supports the Board's efforts to conform the rules to current practice, to codify existing case law and the Federal Rules of Civil Procedure, and to increase end-to-end electronic processing of proceedings. With respect to some of the specific proposed rule changes, INTA has questions and comments identified below:

Effective Date

According to the Notice, the Proposed Rules will apply to every pending case and every new case commenced on or after the effective date of the rulemaking. The Notice indicates that the Board will be flexible in scheduling matters in relation to the effective date. INTA supports the Board's commitment to flexibility in proceedings, and submits that such flexibility is a core hallmark of Board practice. Further, flexibility in Board proceedings is particularly important in those cases that will be pending on the effective date of the Proposed Rules. In those pending cases, a party may have planned and executed a discovery or trial strategy under the old rules, which later requires a different tactic under the new rules. For example, a party may determine that discovery depositions are needed to fully and effectively prepare for and impeach the affidavit testimony of an adverse party, among other things. Thus, INTA urges the Board to remain flexible in granting extensions of the discovery and trial periods for good cause shown to accommodate discovery and

trial issues that may arise, including in those cases pending on the effective date of the Proposed Rules.

All Filings Via ESTTA

INTA generally supports the Proposed Rules to require that all filings be made through ESTTA. However, INTA notes that the ESTTA system (although recently improved) still does not readily handle large or voluminous file sizes. The file size limitations (roughly 6 megabytes per PDF with each filing no more than 53 megabytes total) make it difficult, and at times impossible, to timely file voluminous motions and papers on ESTTA. Further, INTA understands that video and/or digital recordings and files cannot be uploaded through ESTTA. INTA would like to understand how the Board intends to improve the ESTTA system to accommodate large file sizes and video/digital recordings, and to avoid any issues under the Proposed Rules. In addition, given the limitations of ESTTA, the Board should consider allowing an option to file documents with large file sizes and to file video/digital recordings by CD/DVD or other media.

Standard Protective Order & Electronic Filing, Service and Communication

Proposed Rule § 2.116(g) – Standard Protective Order

Proposed Rule § 2.116(g) provides, in part, that the Board may treat information and documents which it determines cannot reasonably be considered confidential as not confidential, notwithstanding a party's designation. INTA urges the Board to provide prior notice, and an opportunity to respond, before reclassifying confidential (and highly confidential or trade secret/commercially sensitive) information or documents. It is the parties, and not the Board, who have the most knowledge of the information and/or documents filed in a proceeding. Thus, the involved party should have a fair opportunity to consider and comment before the Board reclassifies and discloses any confidential (and highly confidential or trade secret/commercially sensitive) information and documents to the public or an adverse party. Further, INTA requests that the Board confirm that the applicable Standard Protective Order is the one currently provided on the USPTO website.

Proposed Rule § 2.119(b) – Service of Papers by Email

INTA supports Proposed Rule § 2.119(b) requiring service of all papers by email, and the alternative service methods provided under Proposed Rule § 2.119(b)(1)-(6) if email service cannot be made due to technical problems or extraordinary circumstances. However, INTA requests clarification on what type of "technical problems" and "extraordinary circumstances" may justify use of alternative service methods. In addition, if an alternative service method is used, INTA seeks clarification on how it will impact a

party's motion response deadline under § 2.127(a), and whether the Board will be flexible in granting extensions of time to respond to motions under those circumstances.

Further, INTA is concerned about the fact that large or voluminous papers and exhibits may not be easily transmitted by email. That is, the file size for voluminous papers (e.g., summary judgment filings and exhibits or testimony declarations and exhibits) is often too large to transmit by email or the receiving party's email system will not accept such large filings. Thus, INTA needs to understand how the email service requirement will be implemented in those large file situations. In some Federal Courts, for example, service is effected by an email link distributed to all parties by the court, and then the parties can download the filing from there.

Discovery and Pre-Trial Procedures

Proposed Rules §§ 2.120(2)(i) and 2.120(j) – Board Participation in Telephone Conferences

INTA supports Proposed Rule § 2.120(2)(i) codifying the current practice of allowing an Interlocutory Attorney (IA) or Administrative Trademark Judge (ATJ) to participate in the discovery conference upon request or on its own initiative. INTA also supports Proposed Rule § 2.120(j), providing that the Board may "upon its own initiative or upon the request made by one or both of the parties, schedule a telephone conference" on a motion.

INTA commends the fact that some IA's have become more active in case management, but such IA case management and actions have not been consistent across the Board. INTA encourages the Board to become more active and consistent in case management, including discovery disputes, motion practice, and other issues that arise during proceedings. Further, while Board participation in the initial discovery conference is useful in certain cases, it would be more useful to have an ATJ or IA consistently and promptly available by phone, like a magistrate or district court judge, to actively intervene and manage discovery disputes, motion practice, and overly contentious proceedings. It would also be useful for the Board to issue short minute orders memorializing phone conferences (which some IA's have already been doing), and to issue orders precluding parties from filing papers without prior leave in those overly contentious cases. Such consistent and active participation by the Board would likely avoid contentious litigation tactics, protracted discovery disputes, and unnecessary motion practice and delays.

Proposed Rule § 2.120(a)(2)(iv) – Limited Extensions of Discovery Period

Proposed Rule § 2.120(a)(2)(iv) provides that "limited extensions of the discovery period may be granted upon stipulation or the parties approved by the Board, upon motion granted by the Board…." INTA urges the Board to strike this limitation and to continue to grant

reasonable extensions of the discovery period upon stipulation or showing of good cause. The Board has already Proposed Rule § 2.120(a)(2)(v) (discussed below) to accelerate discovery and require that all discovery be served and completed by the close of the period. If the Board is going to require that discovery be completed by the close of the period, it should remain flexible in granting extensions of the discovery period to allow the parties sufficient time to comply with Proposed Rule § 2.120(a)(2)(v) and to supplement discovery as required under Fed. R. Civ. P. 26(e).

Moreover, as noted above, flexibility in Board proceedings is precisely the reason trademark constituents choose to litigate cases before the Board. As the Board itself has acknowledged, the vast majority of its cases settle, and INTA submits this is due in large part to the flexible nature of Board proceedings. Indeed, parties often select the Board to litigate trademark disputes because, unlike a district court, the Board allows a flexible schedule and forum that encourages settlement. Thus, rather than limiting extensions of the discovery period for all cases by the Proposed Rules, the Board should take a more active role in exercising its inherent authority to control the disposition of cases, including managing those parties and cases engaged in excessive motion practice, overly contentious litigation tactics, and other conduct causing unreasonable delays.

Proposed Rule § 2.120(2)(v) – All Discovery Responses/Objections and Documents Due on or Before Close of Discovery Period

INTA generally supports Proposed Rule § 2.120(2)(v), which requires that all discovery requests must be served early enough in the discovery period so that all responses will be due no later than the close of the discovery period. INTA also supports the provision that the parties may stipulate or move the Board to extend discovery response deadlines, but that "the response[s] may not be due later than the close of discovery." INTA is concerned, however, that Proposed Rule § 2.120(2)(v) is too rigid and unworkable, unless the Board also continues to allow reasonable and flexible extensions of the discovery period (contrary to Proposed Rule § 2.120(a)(2)(iv)). Further, INTA seeks clarification on how Proposed Rule § 2.120(2)(v) will impact the parties on-going obligation to supplement discovery as required under Fed. R. Civ. P. 26(e).

Proposed Rules §§ 2.120(3)(d) and (e) and 2.120(3)(i) – Limiting Discovery Requests

INTA supports Proposed Rules §§ 2.120(3)(d) and (e) and 2.120(3)(i), which limit the number of document requests and requests for admissions to seventy-five, counting subparts, similar to the current limitations on interrogatories. However, INTA requests that the Board clarify how, in the event of a dispute, it intends to count the number of document requests and requests for admission, and whether the counting of such requests will be in the same manner as interrogatories under the current practice.

Trial Procedures

Proposed Rule § 2.123(a)-(c) and (e)(1) – Affidavit or Declaration Testimony

INTA generally supports Proposed Rules § 2.123(a)-(b) and (e)(1), which allow the unilateral option for submitting trial testimony by affidavit or declaration, subject to the right of the adverse party to cross examination by live deposition. However, INTA urges the Board to allow the option of taking and filing live cross examination deposition testimony, and all other live depositions in Board proceedings, by video and with an accompanying written transcript. INTA submits that, in certain cases, a video deposition is required to give both the parties and the Board a full and fair opportunity to consider and weigh the credibility of witnesses. This is particularly important given the potential impact of Board decisions in any subsequent litigation between the parties under the Supreme Court's ruling in *B&B Hardware, Inc. v. Hargis Industries, Inc.*, 575 U.S. ___, 135 S.Ct. 1293 (2015).

In addition, INTA believes that the rules should clearly provide that any affidavit and/or declaration testimony must be duly sworn under penalty of perjury of the laws of the United States (similar to the deposition requirement under § 2.123(e)(1) and in accordance with 18 U.S.C. § 1001 and/or 28 U.S.C. § 1746). Further, the Board should clarify that the introduction of exhibits and evidence under affidavit or declaration testimony are subject to the Federal Rules of Evidence and applicable case law just as in a testimony deposition. With respect to exhibits accompanying the declaration or affidavit testimony, the USPTO should consider clarifying the format of such exhibits, including the formats set forth in Proposed Rule § 2.123(g)(2).

Proposed Rule § 2.123(c) provides that the notice to take a cross-examination deposition must be served on the adverse party and filed with the Board "within 10 days from the date of service of the affidavit or declaration and completed 20 days from the date of service of the notice of election." INTA submits that these time periods are too short. INTA recognizes that the Proposed Rules provide that the Board may "upon motion for good cause by any party, or on its own initiative…" extend this 10-day time period. INTA is concerned, however, that 10 days is insufficient time to review declaration and affidavit testimony and accompany exhibits, confer with clients and witnesses, determine whether a cross-examination deposition is necessary, and notice such cross-examination depositions. This is particularly true in cases where an adverse party serves numerous testimony declarations with voluminous exhibits on the same date and/or at the end of the assigned testimony period. More time is needed to review testimony and evidence before noticing and taking a cross-examination deposition. Moreover, this short 10-day period may encourage parties to game the system by serving affidavit or declaration testimony on the eve of a long holiday weekend, leaving an adverse party with only a few days remaining

to review the testimony and evidence, and/or move the Board for an extension. The Board should consider amending Proposed Rule § 2.123(c) to allow at least **20 days** from the date of service of the affidavit or declaration testimony to serve a notice of a cross-examination testimony deposition, and at least **30 days** from the date of service of the notice to complete such depositions.

Further, INTA would like to understand the potential impact of allowing affidavit or declaration testimony on the pendency of cases ready for final decision and how the Board intends to manage pendency. With the ease of affidavit or declaration testimony, there may be an increase in the number of cases going to trial and ready for final decision. INTA would like to understand the anticipated timelines and goals for the Board's issuance of final decisions on such cases.

Conclusion

In conclusion, INTA supports the USPTO's efforts to streamline Board proceedings, and to provide efficiency and clarity in *inter partes* and *ex parte* cases. However, INTA has questions and comments on certain Proposed Rules as noted above. INTA looks forward to discussing the Proposed Rules further with the USPTO and invites the USPTO to contact Deborah Cohn, Senior Director, Government Relations at dcohn@inta.org if there are any questions about this submission.