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NYIPLA PRESIDENT'S CORNER

COLMAN RAGAN



I joined the NYIPLA as a young associate at Kenyon & Kenyon in 2003. Over the years, I have been a member of the Meetings & Forums, CLE, Programs, Corporate, and Legislative Action Committees. Through these committees, and with guidance from mentors and Past Presidents including Tom Meloro and Walt Hanley (as well as countless other NYIPLA members), I stayed involved and active in the NYIPLA. Over the years, I have grown to view the NYIPLA and its members as extended family. I have deep fondness for the NYIPLA, and its continued success is of great importance to me.

I had always wondered if I had what it takes to one day be the President of the premier regional association of IP lawyers. Never did I think that if I became President, the NYIPLA would be facing so much uncertainty and so many challenges all at once. There is no sugarcoating it – 2020 has been a difficult year, and 2021 looks to be quite challenging as well. We all continue to endure the challenges of a global pandemic that has kept many of us from our offices and from the NYIPLA's bread and butter -- getting together as an association. There have been additional challenges for our members, including witnessing acts of racial violence and social injustice on the news, a senseless attack on a member of the Federal Judiciary, a divisive political environment, and the challenges of educating our children from home or a virtual environment, among other things.

In March, the NYIPLA made the difficult decision to cancel the 2020 Judge's Dinner. This was a painful decision, and I would like to thank our Immediate Past President, Katie McCarthy, for her leadership in making such a bold and decisive decision at a critical moment. Knowing what we know now, it was the right decision and the NYIPLA will be stronger for it.

In the wake of that courageous decision, I had to think, what would the "theme" of my presidency be? One of my themes is to encourage the NYIPLA to foster diversity and inclusion, not just in the IP

profession, but in the next generation of innovation and content creators. To achieve this, we will need to not only reach out to younger attorneys and law students, but also to students in area schools to help encourage education in STEM and the arts. We also have to think of new ways to reach our current and future members and to foster the next generation of innovation and content creation. For that reason, as well as COVID-19 restrictions on in-person gatherings, this year will also see the NYIPLA transition from being an association focused on in-person programming to one that becomes a leader in providing virtual content.

However, despite all of the challenges, I see an NYIPLA that has the resolve to find ways to show its membership not only its value in tough times, but also that we as an association truly are an extended family that looks out for one another. Our committees have worked hard through the spring and summer to bring numerous free webinars and virtual meetings (including happy hours!) to our members. These webinars have included tremendous content – from an immediate analysis of the CARES act and how it affects IP, to a webinar with USPTO Director Iancu, to discussions with judges in multiple jurisdictions, to programs on careers in IP law – and have shown our commitment to our members at every stage of their careers.

I want to thank all of our members who have stayed active in 2020 and have come up with great ideas for new programming and content for the NYIPLA to share with its members. In the face of some of the challenges presented by travel restrictions and the new virtual meeting culture, our committees have been as active as ever:

- Our Privacy Committee also spent a great deal of time in the spring and early summer putting together a truly forward-thinking White Paper on the IP and Privacy issues that could face New York school systems should remote or hybrid learning continue in the Autumn. It turns out that the committee was out ahead of the curve and was nearly clairvoyant in delivering its advice, which we disseminated to the New York School Regents as well as Governor Cuomo's

office and Senator Schumer's office.

- The Trademark Committee put on a wonderful event in July, as they always do and sent a representative to Congress (virtually of course) on behalf of the NYIPLA to provide the associations views on some legislative proposal that could have an impact trademark law.
- The Legislative Action Committee continues to provide in depth analysis of the various legislative proposals in the IP space coming not only from Congress, but also from the States (including California, Minnesota, and New York). The NYIPLA's expertise in evaluating state and federal legislation that could have an impact on innovation or the patent, copyright and trademark laws is unequaled in regional IP associations.
- As always, the NYIPLA's Amicus Committee has been writing outstanding briefs. In fact, the NYIPLA's brief was mentioned in much of the press surrounding the recent grant of certiorari in the Arthrex case.

This autumn, our Programs Committee has put together a great series of virtual CLEs to replace the in-person Full Day Patent CLE. Chief Judge Sharon Prost of the Federal Circuit will deliver the keynote address on day one of the series, and the remainder of the CLE content looks once again to be fantastic. Additionally, the NYIPLA is looking into designing an "IP Boot Camp" covering several aspects of IP law for our members, especially our younger lawyers and new associates. We are hoping that this Boot Camp will provide not only a chance for our younger members to learn from more experienced attorneys in the association, but also provide networking and mentoring opportunities – albeit in a virtual format.

This year, instead of doing one President's Forum, I have decided to turn it into a series of virtual President's Fora. The first will focus on a discussion of the landmark copyright case involving the heirs to the estate of the front man of the band Spirit accusing Led Zeppelin of copyright infringement for the song "Stairway to Heaven" – perhaps you have heard of the song? The second of the fora will entail a discussion of

the series of state laws and legislative proposals that seek to regulate IP as part of the individual states' efforts relating to drug pricing. We plan to do at least one or two additional President's Fora in 2021, so stay tuned.

We have an exciting year planned and are looking forward to getting together again as soon as it is safe to do so. The NYIPLA is committed to providing top-notch opportunities and content for its members. If you have ideas that will help NYIPLA further engage its membership, please reach out to me or admin@nyipla.org with your suggestions.

Now is a great time to be a member, and if you know folks who are considering joining, please let them know they are welcome in our extended family.

I know you are all expecting me to quote Led Zeppelin right now, so I will.

“Upon us all, a little rain must fall.”

Here is to a strong remainder of 2020 and 2021!



Inventor of the Year Interview - Dr. Rajiv Joshi

Dr. Joshi received the IOTY award in May 2020 and the following content is a transcript of his video interview.

Greetings from Rajiv Joshi. I am a research scientist at IBM, member of IBM Academy of Technology and Master Inventor at IBM. My inventions span from novel interconnect structures and processes for more scaling, machine learning techniques for predictive failure analytics, high bandwidth, high performance and low power integrated circuits and memories and their usage in hardware accelerators meant for artificial intelligence applications. Many of these structures exist in processors, supercomputers, laptops, smart phones, handheld and variable gadgets and many other electronic items. These innovations have advanced our day-to-day life, global communication, health sciences, and medical fields impacting the world.

First of all, let me thank NYIPLA to bestow this prestigious award on me. I am really delighted, honored and humbled by this honor. Well, I consider myself to be fortunate to have worked on various fields which help me to generate a wide spectrum of key patterns. This encompasses areas like very large-scale integrated technology and circuits, memories for processors and accelerators and machine learning techniques and others. So I do

not have, but have several favorites. In the technology side, some of them are fundamental and original ones which push more slow of scaling. For example, improvement in the density, performance, and bandwidth which was needed to assist more slow. The LSI chips integrated logic and memories to be packed on a small chip. These devices need to be wired at multiple levels vertically. To achieve this paradigm shift in the back end of technology was required. The factory metal contacts on the devices by replacing conventional, non-scalable techniques providing aggressive liner materials and deposition techniques to fill large VRs across layers for metal connectivity along with lower resistance copper metallization structures form the crux of these jewel patterns. Other favorites are memory patterns. To me, memories are forever. Many innovative circuit techniques are utilized to drive memory speed, minimize power and increase bandwidth much needed for more scaling and accelerator technology.

Plethora of memory architectures were innovated including variety of S-RAM topologies, T-RAM, M-RAM and many others. Some of them are highly referenced in the

literature. Additional ones are in the area of machine learning techniques. This, to me, was like having a crystal ball for predicting as well as improving the yield. Yield improvement lowers the production cost to produce the best part at the least cost is the first law of production.

To drive this law, key innovations demonstrated uses of smaller state of samples to predict relatively accurate results. Why? Conventional techniques hinged on using larger data size to develop predictive models. These inventions showed the worldwide research and many design automation companies wanting to use or develop such techniques. These are many others, but my main satisfaction is that they help the society advancing the science, miniaturization, scalability, predictability, and performance. Many of these inventions are easier to explain through gadgets which are routinely used. For example, our laptops, tablets, cell phones, smart watches, video games and others. They contain advanced integrated processor chips. This does photo/video analysis, downloads programs and stores our data. These chips are manufactured by complicated processes and use low resistance materials,

interconnects to form pool of transistors to perform these functions.

To give an example of complexity, the number of transistors on a state of the art processor exceeds over 10 to 12 billion which needs kilometers of wire to connect them. The innovations in interconnect material processes are utilized in making such complex chips. The innovations related to memories enhance data storage capability, robustness, functionality and performance. Applications of these inventions are universal. As they say, necessity or curiosity is the mother of invention. Both are essential without necessity or a problem, you would not know what to improve. On the other hand, eminent geniuses like great mathematician Aria Burton, Sir Isaac Newton, Einstein, invented things out of curiosity.

Similar to these great role models to me, necessity and curiosity inspired me. Identification of a problem and providing out of the box solutions as well as observe and think helped me immensely to generate ideas. Knowledge is power. We keep our mind open; we can observe, learn and convert it into knowledge. This provides fuel for invention. I studied at many world institutions which helped me expand my horizon. While growing up, my parents always told me stories about great renowned inventors like Marconi, Madame Curie, Wright Brothers, James Watt, Alexander Bell, Thomas Edison and other great stalwarts. Their

success stories and inventions really shaped my thought process and thus I developed interest in science and technology.

My parents, successful colleagues, classmates, my professional colleagues and my work environment motivated me to foster the innovativeness and created me an idea generator machine. Cloud artificial intelligence and quantum computing are not only the main buzz words but their utility, widespread usage, is advancing with leaps and bounds. All these areas are very exciting and I have been dabbling further in AI and quantum computing. As the technology scaling slows down, real SI chip production is becoming very challenging. Quantum computing has offered boundless opportunities but also face challenges. I'm involved in advancing technology, improving memory structures and solutions, and their usage in artificial intelligence and contributing to quantum computing to advance the science. Well, we all have dutiful mind so we need to be creative and innovative and achieve our goals for the betterment of our planet. I believe that we need three things to achieve our goals. One, passion. Famous personalities in the world for example, Mahatma Gandhi, Martin Luther King, were passionate about their freedom. They did not waver in their pursuit and they won. Passion. Very important. Persistence. No matter even if there is failure, we can stand again and pursue our dream. There is a famous

story about Thomas Edison, the great inventor, who has over 1000 patents. His inventions have impacted all parts of our life. However, as a child while he was doing a chemistry experiment in a train, the experiment failed and set a fire in the train.

Immediately, the conductor came and slapped young Edison. However, Edison never lost his heart and gone on to become the greatest inventor of mankind. Persistence. Third, practicality. There is a similar interesting story about Sir Isaac Newton. The great genius of all times. While watching apple fall from an apple tree, he came up with the concept of gravity. This genius had a dog and a puppy and wanted to build a doghouse. So he built it, but he created two openings. One big opening for the mother dog, and a small opening for the puppy. One day, Newton was watching them both. To his amusement, the mother dog entered through the big door of the doghouse first and then puppy followed the mother through the same door. Newton immediately realized the mistake and the thought only one door was necessary. He fixed the mistake and showed us how practicality is very important in life. With these all three qualities, success should be sure shot. And that is all.

Once again, I would like to thank NYIPLA for this prestigious honor.

Thank you very much.



Ethics in IP: Does Counsel's Conduct Making Blackbird Tech LLC v. Health in Motion LLC Exceptional Also Cross The Line Into Unethical Behavior?

BY: **ROBERT M. ISACKSON**

Introduction

This article^[1] will look at some potential ethical implications arising out of the Court of Appeals for the Federal Circuit's recent affirmance of an exceptional case under 35 U.S.C. § 285, *Blackbird Tech LLC v. Health in Motion LLC*, 944 F.3d 910 (Fed. Cir. 2019). More specifically, it will review plaintiff's counsel's conduct in a patent litigation, which under the totality of circumstances was determined to have "stood out from other patent cases," under the New York State Unified Court Systems § 1200.0 Rules of Professional Conduct ("NYRPC").

Caveats

The *Blackbird* decision does not arise under New York law or ethical obligations. It does not address any ethical considerations and does not find any ethical violations. Nor does the case even contain a full record suitable for assessing potential ethical violations. The reader should not read this article thinking anyone actually violated an ethical obligation. However, in the author's view the facts making the *Blackbird* case exceptional provide a useful vehicle to be provocative and consider whether such exceptional conduct, through zealous execution of a particular litigation strategy, might also cross the line into unethical behavior.

The Relevant NYRPC Ethical Rules

To provide context, the pertinent parts of NYRPC Rules adopted in 2017 and deemed applicable to this discussion are set forth below:

Rule 1.1 Competence

- (a) A lawyer should provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary for the representation.

...

(c) A lawyer shall not intentionally:

- (1) fail to seek the objectives of the client through reasonably available means permitted by law and these Rules; or
- (2) prejudice or damage the client during the course of the representation except as permitted or required by these Rules.

Rule 1.3 Diligence

- (a) A lawyer shall act with reasonable diligence and promptness in representing a client.
- (b) A lawyer shall not neglect a legal matter entrusted to the lawyer.....

Rule 3.1 Non-Meritorious Claims and Contentions

- (a) A lawyer shall not bring or defend a proceeding, or assert or controvert an issue therein, unless there is a basis in law and fact for doing so that is not frivolous....
- (b) A lawyer's conduct is "frivolous" ... if:
 - (1) the lawyer knowingly advances a claim or defense that is unwarranted under existing law, except that the lawyer may advance such claim or defense if it can be supported by good faith argument for an extension, modification, or reversal of existing law;
 - (2) the conduct has no reasonable purpose other than to delay or prolong the resolution of litigation, in violation of Rule 3.2, or serves merely to harass or maliciously injure another; or
 - (3) the lawyer knowingly asserts material factual statements that are false.

Rule 3.2 Delay of Litigation

In representing a client, a lawyer shall not use means that have no substantial purpose other than to delay or prolong the proceeding or to cause needless expense.

Rule 3.3. Conduct Before a Tribunal

* * *

(f) In appearing as a lawyer before a tribunal, a lawyer shall not:

(1) fail to comply with known local customs of courtesy or practice of the bar or a particular tribunal without giving to opposing counsel timely notice of the intent not to comply;

Rule 3.4 Fairness to Opposing Party and Counsel

A lawyer shall not:

(a) (1) suppress any evidence that the lawyer or the client has a legal obligation to reveal or produce;

The Blackbird Exceptional Case

In *Blackbird Tech LLC v. Health in Motion LLC*, 944 F.3d 910 (Fed.Cir. 2019), the Federal Circuit considered an appeal of the district court's determination declaring the case exceptional under 35 U.S.C. § 285, and awarding defendant Health In Motion ("HIM") \$363,243.80 in attorney fees and expenses. In a unanimous precedential opinion authored by Judge Wallach, and joined by Judges Prost and Hughes, the Court affirmed U.S. District Court Senior Judge Manuel Real's (CDCA) holding that Blackbird's case was exceptional because it stood out from others in three particular respects:

- (i) the lack substantive strength of Blackbird's litigation position,
- (ii) the unreasonable manner in which the case was litigated, and
- (iii) the need to deter future abusive litigation.

Blackbird, 944 F.3d at 914.^[2]

The consideration of whether a case is exceptional is a matter left to the sound case-by-case exercise of discretion by the trial judge, based on a totality of the circumstances. *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 573 U.S. 545, 554 (2014). As the Supreme Court framed the issue, "an 'exceptional' case is simply

one that stands out from others with respect to the substantive strength of a party's litigating position (considering both the governing law and the facts of the case) or the unreasonable manner in which the case was litigated." *Id.* Here, Judge Real below found that this case stood out for both reasons specifically articulated in *Octane* and awarded fees because, in addition, of a need to deter future abusive litigation. On appeal, the Court found no abuse of discretion in Judge Real's determination, considering the facts underlying the totality of the circumstances. *Blackbird*, 944 F.3d at 914 (noting the issue on appeal is whether the district court abused its discretion, citing *Highmark Inc. v. Allcare Health Mgmt. Sys., Inc.* 572 U.S. 559, 561 (2014)). The Supreme Court denied Blackbird's petition for certiorari.

Counsel's Conduct Causing the Case to Stand Out

We now consider the circumstances relied on by the district court judge in determining that the case stood out as exceptional.

(i) The lack of substantive strength of Blackbird's litigation position.

The primary conduct at issue here was that Blackbird advanced what the district court determined were meritless and frivolous infringement claims based on "flawed claim construction and infringement contentions" that ultimately failed on the merits (Blackbird taking a dismissal with prejudice on the eve of trial). *Blackbird*, 944 F.3d at 914. In its defense, Blackbird argued that both its claim construction and infringement positions were eminently reasonable and likely correct, *id.* at 915, the district court did not find its arguments "objectively baseless," and being "flawed" was insufficient to support an award of fees. The Federal Circuit disagreed.

First, the Federal Circuit stated that even if Blackbird's claim construction argument was accepted, HIM's accused product still did not meet that limitation as construed by Blackbird. Indeed, the Court held that the differences are so clear and material that a formal claim construction by the district court was not required before determining non-infringement. *Id.* As to Blackbird's argument that flawed arguments are inadequate, that was rejected because the flawed arguments were only part of

the totality of circumstances that the district court relied upon in determining that Blackbird's litigating position lacked substantive strength. *Id.*

Second, Blackbird argued that there was no support for the district court's finding that Blackbird should have known that its litigation position was weak, because neither the court nor HIM put Blackbird on notice. In rejecting this argument, the Federal Circuit noted first, there is no requirement that Blackbird be placed on notice (although a lack of notice can support a denial of fees), second, a modicum of pre-suit due diligence by Blackbird would have put it on notice of its weak positions, and third, since early in the case Blackbird was aware of HIM's intention to recover fees under § 285 from HIM's answering pleading, as well as HIM's subsequent rejections of Blackbird's series of settlement offers.

(ii) The unreasonable manner in which the case was litigated

The primary conduct relied on to support the unreasonable manner of litigation was that "Blackbird 'made multiple settlement demands that were far less than the anticipated cost of defense,' i.e., nuisance settlement offers." *Id.* at 916. Further, Blackbird admitted to making a series of settlement offers of decreasing value, each of which was less than the cost of litigation (particularly as measured by HIM's fee demand and award of \$363,243.80). *Id.* at 916-17.

Next, the Court considered that Blackbird "unreasonably 'delayed in producing documents, withheld many documents until after [HIM] took [Blackbird witness's] deposition[,] and completely failed to produce other documents.'" *Id.* at 917. To the extent Blackbird argued one could infer that the documents were not produced because they were privileged, that was rejected because Blackbird never made a claim of privilege as a basis of withholding the documents, thus establishing that the privilege claims were post hoc rationalizations and not a legitimate basis for withholding.

Finally, the district court determined that Blackbird's conduct was unreasonable in filing its notice of dismissal, covenant not to sue HIM on the asserted patent, and motion to dismiss on the day that the parties' pretrial submissions were

due. The unreasonableness of such conduct was further compounded by the fact that Blackbird acted without any prior notice to HIM (who made its timely pretrial submissions). See U.S. District Court for the Central District of California Local Rule 7-3 (meet and confer obligations prior to filing a motion)^[3]

(iii) The need to deter future abusive litigation

In support of deterring future abusive litigation as a basis for awarding fees in this exceptional case, the district court found that Blackbird had filed over 100 patent infringement lawsuits and none reached a merits decision in favor of Blackbird. *Id.* The Federal Circuit noted that Blackbird admitted at oral argument that most of its cases settled, and none had reached a full, final decision on the merits. *Id.*

But was there unethical conduct?

Putting aside Blackbird's cert. petition, the Federal Circuit had no difficulty affirming the district court's discretionary decision on the facts of record finding the case exceptional, although the Court's opinion was less than clear in articulating whether without the need for deterrence conduct the case was still exceptional.^[4] Now we'll explore whether under the NYRPC the conduct supporting the exceptional case finding might run afoul of an attorney's ethical obligations, rule by rule (repeating the relevant text of the applicable rules for convenience).

First, let's evaluate the conduct underlying the lack of substantive strength of Blackbird's litigation positions under Rule 3.1 Non-Meritorious Claims and Contentions:

(a) A lawyer shall not bring or defend a proceeding, **or assert** or controvert **an issue** therein, **unless there is a basis in law and fact** for doing so that is not frivolous....

(b) A lawyer's conduct is "frivolous" ... if:

(1) the **lawyer knowingly advances a claim or defense that is unwarranted under existing law**, except that the lawyer may advance such claim or defense if it can be supported by good faith argument for an extension, modification, or reversal of existing law;

(2) the **conduct has no reasonable purpose other than to delay or prolong the resolution of litigation**, in violation of Rule 3.2, or serves merely to harass or maliciously injure another; or

(3) the lawyer knowingly asserts material factual statements that are false.

(Emphasis added.) The district court found three acts supporting its conclusion that Blackbird's case lacked substantive strength. First, it concluded that the claim construction and infringement positions were meritless and frivolous based on flawed claim constructions and infringement contentions. This finding, although the district court never ruled on the fully briefed summary judgment motion and did not, as Blackbird pointed out, issue any claim construction adverse to Blackbird's arguments, made in the context of an exceptional case, seems to squarely support a violation of ethics Rule 3.1(a) that a lawyer shall not assert an issue – here, infringement – unless there is a basis in law and fact. Clearly, pressing a meritless and frivolous and flawed infringement contention does not strike one as having a basis in law and fact, and thus may cross the ethical line.

Another question is whether asserting a meritless and frivolous infringement position “has no reasonable purpose other than to delay or prolong the resolution of litigation” under ethics Rule 3.1(b). Here, we know that the district court's determination was that there was a succession of nuisance value settlement offers. Accordingly, the question becomes whether progressively pushing a meritless infringement position and a succession of declining value settlement demands supports a finding that advancing the infringement contentions prolonged resolution and therefore violated Rule 3.1. It's debatable. There also is some tension here with ethics Rule 1.1(c) and seeking the objectives of obtaining a settlement acceptable to the client. Looking at this conduct from the other side, given that Blackbird had ultimately offered HIM a no-cost, walkaway deal, which HIM rejected, perhaps it was HIM that unduly delayed a resolution? But HIM's position on rejecting the walkaway was in part that it would do so only if Blackbird reimbursed its fees. This position was

meritorious and thus HIM's conduct seems quite justified under the totality of the circumstances. By comparison, one could argue that Blackbird's conduct violated ethics Rule 3.1(b) because, unable to settle, and with HIM never changing its position, Blackbird should have acted to dismiss the case sooner than it did.

Next, we consider the unreasonable manner in which the case was litigated and Rules 1.1, 1.3, 3.2, 3.3 and 3.4 together. Rule 1.1 Competence provides:

(a) A lawyer should provide competent representation to a client. Competent representation requires **the legal knowledge, skill, thoroughness and preparation** reasonably necessary for the representation.

...

(c) A lawyer shall not intentionally:

(1) fail to seek the objectives of the client through reasonably available means permitted by law and these Rules; or

(2) prejudice or damage the client during the course of the representation except as permitted or required by these Rules.

Rule 1.3 Diligence provides:

(a) A lawyer shall act **with reasonable diligence** and promptness in representing a client.

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Rule 3.2 Delay of Litigation

In representing a client, a lawyer shall not use means that have no substantial purpose other than to delay or prolong the proceeding or to **cause needless expense**.

Rule 3.3. Conduct Before a Tribunal

(f) In appearing as a lawyer before a tribunal, a lawyer shall not:

(1) fail to comply with known local customs of courtesy or practice of the bar or a particular tribunal without **giving to opposing counsel timely notice** of the intent not to comply;

Rule 3.4 Fairness to Opposing Party and Counsel provides:

A lawyer shall not:

- (a) (1) **suppress any evidence** that the lawyer or the client has a **legal obligation to reveal or produce**;

(Emphasis added.) To what extent did Blackbird's counsel fail to demonstrate competence or diligence or demonstrate unfairness? Consider that Blackbird's counsel were found to have failed to produce documents, and unreasonably delayed production of documents, until after the Blackbird witness testified at deposition that such documents existed. Further, Blackbird's counsel failed to assert a legitimate basis for withholding production of the documents, e.g., a claim of attorney-client privilege or attorney work product, at the time the document was first not produced.

Quite arguably, the failure to produce documents violates each of Rules 1.1, 1.3, 3.2 and 3.4. It violates Rule 1.1 and shows a lack of competence because failing to produce relevant and responsive documents reflects a lack of legal knowledge under Rule 1.1 about what documents need to be produced in discovery in response to HIM's discovery demands. Regarding Rule 1.3, the conduct can be urged to violate the ethical obligation of diligence because Blackbird's counsel did not act with reasonable promptness in representing his client in connection with responding to discovery requests. It also might violate Rule 3.2 because the deposition went forward without HIM's counsel having documents it should have had, thus leading to needless expense to procure the documents, taking a deposition without documents it should have had, and perhaps retaking the deposition after the proper documents have been produced or moving in limine to limit the witness's testimony at trial. And with respect to Rule 3.4 and fairness, the conduct is decidedly unfair to HIM because HIM's lawyers were entitled to have discovery of those documents prior to taking the Blackbird witness's deposition, to better prepare for that deposition, and make efficient use of the allotted 7 hours of examination.

Was it aggressive lawyering by Blackbird not to

produce the documents? Sure. Do lawyers do this all the time? Maybe not all the time, but it certainly happens often enough. But is it just sloppy or aggressive lawyering or does it really rise to a lack of competence and diligence or manifest unfairness in violation of the ethical standards? A strong case can be made it does, based on Rules 1.1, 1.3, 3.2 and 3.4. On the facts of the *Blackbird* case, counsel had no justification for withholding and/or not timely producing the documents acknowledged to be relevant and responsive, prior or subsequent to the relevant depositions. The district court's determination that counsel's conduct regarding the insufficient document production contributed to circumstances that stood out from other cases in the manner in which the case was litigated, establishes that counsel's conduct was extreme. However, the district court did not determine that there was a violation of counsel's ethical obligations. But then the question of ethics was not before the judge. The exceptional case finding nevertheless provides compelling support that counsel's behavior, if performed in a case in New York, was outside the scope of acceptable conduct and would support scrutiny for possible violation of the NYRPC as set forth above.

Consider now that Blackbird filed, without advance notice to HIM, on the day that the parties were supposed to file pretrial submissions, a notice of dismissal, a covenant not to sue, and a motion to dismiss. As the courts noted, this also happened at a time when the parties were expecting the trial court to issue a decision on HIM's summary judgment of non-infringement motion. While filing a motion to moot another pending motion is not inherently unreasonable conduct, indeed it might even be applauded, here such conduct was found to be a circumstance of unfairness, supporting an exceptional case and award of fees. Although not addressed in the Federal Circuit decision, it appears that Blackbird violated CDCA Local Rule 7.3 in failing to conduct a meet and confer with HIM about its proposed motion to dismiss at least seven days prior to filing. Thus taking HIM by surprise, arguably Blackbird would have twice violated ethics Rule 3.3, first, in failing to comply with the district court's local rule on pre-motion meet and confers, and second, in failing to give notice to

HIM's counsel that Blackbird intended not to comply with that local rule.

Further, the district court's finding that Blackbird was unreasonable in the manner in which it proceeded also manifests an unfairness to HIM that likely violates Rule 3.4. In this regard, HIM proceeded to prepare its pre-trial submissions which were made moot by Blackbird's filings. Although HIM may have recovered its fees and expenses related to such work under Section 285, such recovery is independent of any ethical violation, and HIM was certainly unfairly burdened with first, preparing documents it believed to be due when Blackbird, knowing what it intended to do, could have advised HIM to avoid such unfairness, and second, having to move under Section 285 to recover those fees it should not have had to expend.

With respect to Rule 1.3, the record doesn't provide enough information regarding whether Blackbird's counsel acted diligently in connection with filing the notice, covenant, and motion in late May 2018. We know that earlier in May 2018 Blackbird made a walkaway settlement offer to HIM. However, we don't know when HIM rejected that offer, and it's unclear when after that rejection Blackbird decided to move to drop the litigation rather than file its pretrial submissions. However, given that the district court's Local Rule 7-3 provides a seven-day period for a meet and confer, that period might set a presumptive time period for acting diligently, notwithstanding that Blackbird didn't abide by the meet and confer obligation. Thus, if Blackbird made its decision to dismiss more than 7 days, an argument exists that delay reflects lack of diligence.

In finding the manner of litigation unreasonable, the district court also found that Blackbird's sequential and progressively lower settlement offers contributed to an exceptional case. However, it's not clear that such activity on its own amounts to any ethical violation of Rules 1.1, 1.3, 3.2 or 3.4. Simply because a party has a settlement strategy as to how it wishes to monetize its claim when the counterparty does not accept an offer, which involves progressively lower amounts, does not strike one as improper (assuming here the claim is legitimate). You can lead the horse to water but can't make it drink.

Lastly, we consider the district court's third plank to its exceptional case finding, awarding fees based on the need to deter future abusive conduct. While it might be tempting to find an ethical violation based on activities that have not yet occurred, it seems premature to speculate about whether conduct that hasn't happened and/or is not in the record gives rise to any ethical violation.

Conclusion

A finding of an exceptional case under Section 285 based on a totality of circumstances does not ipso facto mean that the conduct making the case exceptional necessarily violated the involved attorney's ethical obligations. They do however raise some questions and remind us to take care in executing a litigation case strategy that we also adhere to our ethical obligations. Indeed, the musings set forth in this paper are intended to be thought provoking and argumentative, rather than conclusive and determinative. Whether certain conduct that makes a case stand out from others might also support an argument that there was unethical conduct, particularly with respect to *Blackbird*, will be a matter left to the august bodies who make such determinations, on the relevant facts presented and the lawyers who plead their client's cases.

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The opinions expressed are those of the author and do not necessarily reflect the views of the firm, its clients, JPPCLE, NYIPLA or any of its or their respective affiliates. This article is for general information purposes and is not intended to be and should not be taken as legal advice. With thanks to Matt Kaufman, a partner at Leason Ellis LLP, for his input and assistance.

[\[1\]](#)A prior version of article was published in connection with the Joint Patent Practice's JPP 2020 Webinar Series: Ethics in IP, May 18, 2020. Unfortunately, reading this will not provide any CLE credits. For that you'll need to attend the webinar which was recorded and will be available on WestLegalCenter's CLE program at some point.

[\[2\]](#)Blackbird, perhaps not surprisingly, takes issue with the Federal Circuit's affirmance. Its petition for certiorari asks the Supreme Court: "Can a court consider factors unrelated to the instant case in determining whether a particular case is exceptional, i.e., whether those outside factors are

relevant to the strength of a party's litigating position in that particular case, or the manner in which that particular case was litigated?" Blackbird's position is that the lower courts erred and abused their discretion in considering facts unrelated to the specific litigation against HIM in the totality of the circumstances. In other words, considering the "other" acts, i.e., acts related to past and potential litigation against other parties in determining that the case against HIM stood out from other patent cases generally, namely the facts underlying a finding of a need to deter future abusive litigation, was reversible error.

[\[3\]](#)L.R. 7-3 Conference of Counsel Prior to Filing of Motions: "In all cases not listed as exempt in L.R. 16-12, and except in connection with discovery motions (which are governed by L.R. 37-1 through 37-4) and applications for temporary restraining orders or preliminary injunctions, counsel contemplating the filing of any motion shall first contact opposing counsel to discuss thoroughly, preferably in person, the substance of the contemplated motion and any potential resolution. The conference shall take place at least seven (7) days prior to the filing of the motion. If the parties are unable to reach a resolution which eliminates the necessity for a hearing, counsel for the moving party shall include in the notice of motion a statement to the following effect: "This motion is made following the conference of counsel pursuant to L.R. 7-3 which took place on (date)."

[\[4\]](#)Interestingly, as this author reads the affirmance, the Federal Circuit appears to address Judge Real's finding of a need for deterrence as part of the totality of the circumstances supporting a finding of an exceptional case. Judge Real's decision, however, found the case exceptional based on the lack of substantive strength, and separately on the manner of litigation, and merely relied on deterrence as addressing the next consideration of, having found the case exceptional, whether to award fees, in the affirmative. Ultimately, the Federal Circuit affirmed, finding no abuse of discretion, providing its views in support of the judgment, but the Federal Circuit's affirmance did not rewrite Real's findings. In this context, Blackbird's certiorari petition appears to raise additional ethical issues. Its question asserts that outside facts were relied on to support the determination of an exceptional case. But what the Federal Circuit did was affirm the trial court's decision finding no abuse of discretion, and the trial court clearly relied on outside factors to find a need for deterrence, to prevent future abusive cases, as a basis for awarding fees – not as a basis to find the case exceptional. If this author's read is correct, in posing the wrong question Blackbird's certiorari petition might raise ethical considerations with respect to Rule 3.1 for advancing non meritorious claims and contentions, and Rule 3.2 for delay of litigation. But that assessment will need to wait for the Supreme Court to act on the petition, which raises a different question. What if the petition is denied? Will the no harm no foul rule apply to ethical obligations?

Notable Trademark Decisions

BY: SCOTT GREENBERG AND FRANK MISITI



TTAB Partially Upholds Brooklyn Brewery's Challenge to Registration of "BROOKLYN BREW SHOP" As To Some Goods, But Denies Challenge As To Others Based on Laches and Acquiescence

Brooklyn Brew Shop, LLC ("Brew Shop"), owner of a registration for BROOKLYN BREW SHOP (standard characters; "Brooklyn Brew" disclaimed) for beer making kits in Class 32, filed an application for "Brooklyn BrewShop" (stylized; "BrewShop" disclaimed) for beer-making kits and various finished beer products in Class 32 (the finished beer products were deleted by Brew Shop during the pendency of the proceeding), beverage glassware and coasters in Class 21, and sanitizing preparations for household use in Class 5. The Brooklyn Brewery Corporation ("Brewery") opposed the application and petitioned to cancel the registration, based on claims of (a) likelihood of confusion, under Section 2(d) of the Lanham Act (15 U.S.C. § 1052(d)), with Brewery's previously used and registered marks "BROOKLYN BREWERY" for beer in Class 32 and mugs, cups and glasses in Class 5 and "BROOKLYN" for beer, and (b) with respect to Brew Shop's registration, that the mark "BROOKLYN BREW SHOP" was merely descriptive of the goods under Section 2(e)(1) (15 U.S.C. § 1052(e)). In a precedential decision, the Trademark Trial and Appeal Board, *inter alia*, upheld Brewery's likelihood of confusion claim for glassware and coasters, denied Brewery's claim of likelihood of confusion with regard to Brew Shop's beer-making kits based on Brew Shop's equitable defenses of laches and acquiescence, and denied Brewery's claim of

descriptiveness. *The Brooklyn Brewery Corporation v. Brooklyn Brew Shop, LLC*, 2020 USPQ2d 10914 (TTAB Aug. 10, 2020).

Finished Beer Products: Judgment Entered for Brewery

During the pendency of the proceeding before the Board, Brew Shop moved, without Brewery's consent, to restrict the Class 32 goods in its application by deleting the finished beer products and going forward in Class 32 only with respect to beer-making kits. Pursuant to its rules and precedents, the Board approved the amendment but entered judgment in favor of Brewery against the broader description. *Id.* at *5.

Beer Making Kits: Brew Shop's Defenses of Laches and Acquiescence Upheld

The Board observed that the elements of a laches defense are: (1) unreasonable delay in assertion of one's rights against another; and (2) material prejudice to the latter attributable to the delay. *Id.* at *8 (citing *Bridgestone/Firestone Research Inc. v. Auto. Club de l'Ouest de la France*, 245 F.3d 1359, 58 USPQ2d 1460, 1463 (Fed. Cir. 2001)). Acquiescence requires proof of three elements, namely that: (1) plaintiff actively represented, either expressly or implicitly, that it would not assert a right or a claim; (2) the delay between the active representation and assertion of the right or claim was not excusable; and (3) the delay caused defendant undue prejudice. *Id.* at *12. Even if proven, neither of these equitable defenses can serve as a bar to opposition or cancellation based on likelihood of confusion when confusion is not only likely but inevitable. *Id.* at *8.

Based on the following facts, the Board held that Brewery's challenges to registration of Brew Shop's BROKLYN BREW SHOP marks were precluded due to laches and acquiescence with respect to Brew Shop's beer-making kits:

- In 2011, Brewery first became aware, and communicated to Brew Shop, several instances of misdirected communications from consumers and, in one instance, a news report mistakenly attributing a Brew Shop product to Brewery.
- Notwithstanding the above, between 2011 and 2016, Brewery collaborated with Brew Shop on a number of projects including co-branded beer-making kits.
- Brewery alleged that it first learned of Brew Shop's trademark registration and application in May 2015, at which point Brewery conducted an internal inquiry into the scope of Brew Shop's business activities and the instances of actual confusion.
- Brewery's CEO told Brew Shop in May 2015 that "[w]hile we have no problem with the beer making kit side, we do have a problem with the beer category", and Brewery more formally voiced its objections in July 2015.
- Brewery filed its opposition to Brew Shop's second application, in connection with both beer-making kits and the expanded goods, in September 2015. Brew Shop's application which resulted in its earlier registration, in connection only with beer-making kits, was published for opposition in July 2011, and Brewery petitioned to cancel the registration in December 2015. During the latter period of over four years, Brewery collaborated with Brew Shop on several products without objecting to the BROOKLYN BREW SHOP marks. *Id.* at *6-7.

Based on the foregoing facts, the Board upheld Brew Shop's laches defense with regard to Brew Shop's beer-making kits, holding that Brewery's delay of more than four years before taking action was unreasonable, given that Brewery knew during that period of Brew Shop's actions and instances of public confusion. This delay was held to also apply to Brewery's opposition to

Brew Shop's later-filed application, with respect to the beer-making kits in the latter application, because the marks in the two filings were substantially the same. *Id.* at *9.

The Board also rejected Brewery's arguments that (a) until Brewery learned of Brew Shop's registration in May 2015, Brewery believed Brew Shop to be small, local company, not a company with nationwide activities and interests, and (b) Brew Shop had committed progressive encroachment of Brewery's trademark rights by Brew Shop's expansion of its product line. As to the first argument, the Board held that, under Section 22 of the Lanham Act (15 U.S.C. § 1072), Brewery had constructive notice of Brew Shop's national registration, and delayed a further seven months after actual knowledge of the registration. Brewery was also held to have actual knowledge of Brew Shop's nationwide marketing activities due to the parties' co-branding activities. Regarding progressive encroachment, the Board held that Brew Shop's expansion of its goods in its second-filed application was to no avail to Brewery with respect to the item in the second application, beer-making kits, that was also in the first registration. *Id.* at *10-11.

On the question of material prejudice attributable to the delay, the Board held that Brew Shop would suffer severe economic prejudice due to Brewery's delay, because Brew Shop, between 2011 – 2015, continued to grow its business, increased its spending on advertising, and received significant third-party promotion and publicity of its marks. *Id.* at *11.

As to acquiescence, with respect to Brew Shop's beer-making kit goods the Board held that the above-mentioned four-year period of delay, during which Brewery collaborated with Brew Shop in connection with the latter's beer-making kits, constituted an active representation that Brewery would not assert a right or a claim against Brew Shop's use of its BROOKLYN BEER SHOP mark in connection with beer-making kits. Based on the same evidence as discussed above in connection with laches, the Board further held that this four-year period of delay between the representation and the assertion of the claim was unreasonable and caused Brew Shop undue prejudice. *Id.* at *12.

The Board also held that Brew Shop could maintain its defenses of laches and acquiescence because confusion was not inevitable. The Board noted that confusion has been found to be inevitable when both the respective marks and goods are identical or nearly so. Here, there were differences in the marks (“BROOKLYN BREW SHOP” vs. “BROOKLYN BREWERY” and “BROOKLYN”) and goods (beer-making kits vs. beer). *Id.* at *26 - 27.

Finally, the Board held that Brew Shop failed to establish that Brewery had committed laches or acquiescence with regard to the goods in Brew Shop’s second application other than beer-making kits and, as discussed below, the Board therefore proceeded to consider Brewery’s claims with regard to those other goods. *Id.* at *13.

Glassware and Coasters: Brewery’s Likelihood of Confusion Claim Upheld

With respect to the beverage glassware and coasters in the Class 21 portion of Brew Shop’s application, the Board upheld Brewery’s claim of likelihood of confusion.

Regarding the strength of Brewery’s marks BROOKLYN BREWERY and BROOKLYN, the Board held that Brewery was not entitled to either an enhanced or diminished scope of protection. Conceptually, the marks were shown to be weak, with Brew Shop introducing evidence of third-party usage including six parties using “Brooklyn” in marks or names in connection with beer-related goods and services. On the other hand, the “BROOKLYN BREWERY” mark was shown to be commercially strong due to Brewery’s long period of use, promotion and third-party publicity. These findings of conceptual weakness and commercial strength offset each other. *Id.* at *17 - 18.

As to the similarity of Brewery’s marks with BROOKLYN BREW SHOP, the Board found that the parties’ respective marks are “more similar than dissimilar in overall appearance, sound, connotation, and commercial impression.” *Id.* at *19.

With regard Brew Shop’s goods in Class 21, the parties’ goods were partially identical (glassware)

and for that reason are also “presumed to travel in the same channels of trade to the same class of purchasers.” *Id.* at *14.

As to actual confusion, most of the evidence proffered by Brewery came from the period between 2012 and 2016 when the parties were marketing co-branded kits. Therefore, “although some customers may have been confused as to whether the companies were affiliated, they cannot have been confused as to the source of the goods because both parties were in fact the source of the goods.” *Id.* at *24.

On balance, the Board held that there was a likelihood of confusion with respect to Brewery’s Class 21 goods, based mainly on the similarity of the marks and the partially identical nature of the goods. *Id.* at *26.

Sanitizing Preparations: No Likelihood of Confusion

Notwithstanding the foregoing findings regarding the similarity of the parties’ marks, the Board concluded that there was no likelihood of confusion with regard to Brew Shop’s sanitizing preparations in Class 5.

Brew Shop’s sanitizing preparations were shown to be sold as a part of its beer making kits, and separately to replenish the sanitizer sold with those kits. However, Brewery failed to present persuasive evidence to “establish that consumers would expect brewers such as [Brewery] to supply sanitizing preparations” or that “sanitizing preparations for household use—particularly when sold individually—are likely to travel in the same channels of trade to the same classes of consumers as [Brewery’s] beer.” *Id.* at *16.

Therefore, the Board concluded that “the dissimilarity of the goods and channels of trade for [Brew Shop’s] sanitizing preparations are so great that these factors outweigh the similarity of the marks and do not support concluding that confusion is likely.” *Id.* at *26.

“Brooklyn Brew Shop” Not Merely Descriptive of the Goods

The Board found that Brewery’s evidence shows that “the primary significance of the term

‘Brooklyn’ is, without question, geographic. And the term BREW SHOP describes a ‘place to buy brewing supplies. The addition of BREW SHOP to BROOKLYN, moreover, does not obviate a determination that BROOKLYN BREW SHOP refers to a place to buy brewing supplies in Brooklyn.” *Id.* at *28.

However, the Board observed that Brewery’s “arguments inform whether BROOKLYN BREW SHOP is primarily geographically descriptive under Section 2(e)(2), not whether it is merely descriptive under Section 2(e)(1)” and that a showing that a mark denotes the geographic origin of the goods or the location from which they are sold is not sufficient to justify a refusal of registration under Section 2(e)(1). Moreover, the Board noted that Brewery failed to plead a claim for cancellation on the ground of geographic descriptiveness under Section 2(e)(2). *Id.* Brewery’s claim of mere descriptiveness was therefore denied. *The Brooklyn Brewery Corporation v. Brooklyn Brew Shop, LLC*, 2020 USPQ2d 10914 (TTAB Aug. 10, 2020) (precedential). [SG]

***International Dairy Foods Association v. Interprofession du Gruyère and Syndicat Interprofessionnel du Gruyère U.S. Dairy Export*, 2020 U.S.P.Q.2d 10892 (T.T.A.B. Aug. 5, 2020)**

Interprofession du Gruyère, a Swiss registered association, and Syndicat Interprofessionnel du Gruyère, a French syndicat interprofessionnel, (collectively, “Applicants”) sought registration of the standard character mark GRUYERE in connection with cheese. The Applicants certified that the cheese originates in the Gruyère regions of France and Switzerland. One of the Applicants also claimed ownership of a registration LE GRUYÈRE SWITZERLAND AOC in connection with cheese.

The Applicants’ registration was opposed by International Dairy Foods Association, United States Dairy Export Council, Atalanta Corporation, and Intercibus Incorporated (collectively “Opposers”) on the grounds that: (i) Applicants failed to exercise legitimate control over the proposed mark, and (ii) GRUYERE is a generic name for cheese.

The Applicants and Opposers made numerous submissions and, in fact, the Applicants raised over 150 evidentiary objections before the Trademark Trial and Appeal Board (“Board”). The Board noted that such objections were mostly bare-boned in nature and denied the overwhelming majority of the objections out of hand because the objections were late or without merit.

After addressing the evidentiary issues, the Board turned its attention to the legal issues, namely standing and whether the Applicant’s proposed mark was generic. As to standing, the Board noted that standing is a threshold issue in any inter partes matter. The Board first addressed U.S. Dairy Export Council’s (“U.S. Dairy”) standing and noted that an association will have standing if: (i) its members would otherwise have standing to sue in their own right; (ii) the interests that the organization seeks to protect are germane to the organization’s purpose; and (iii) the claim asserted and the relief requested does not require the participation of individual members in the lawsuit.

The Board found U.S. Dairy had standing because it met the above test and its members have a strong interest in preserving the integrity of U.S. cheese standards of identity. The members also have an interest in the Applicant’s mark because if the Applicant’s mark is approved, it would give Applicant the prima facie exclusive right to control the use of the term GRUYERE as a mark certifying certain kinds of cheese. The Board also found that Atalanta Corporation and Intercibus, Inc. had standing because they are engaged in the sale of goods that are the same as, or related to, the goods contained in the mark at issue. The Board denied standing as to International Dairy Foods Association because there was no argument in the record regarding its basis for standing.

The Board next turned to the issue of whether GRUYERE was generic. The Board, citing the recent Supreme Court decision in *USPTO v. Booking.com*, noted that a generic name is not eligible for federal trademark registration. Further, the following two-part test is used to determine whether a mark is generic: “(1) what is the genus of goods or services at issue; and (2)

does the relevant public understand the designation primarily to refer to that genus of goods or services?” The Board noted that Opposers have the burden of showing the mark is generic by a preponderance of the evidence.

First, the Board determined - - by looking at the identification of the goods in the application - - that the genus of the goods at issue is cheese. Next, the Board looked at the relevant public, the purchasing or consuming public of the goods, and found that the relevant public was members of the general public who purchase or consume cheese. As to public perception, the Board considered whether the relevant public understands the designation primarily to refer to the genus or a part thereof and examined the evidence put before it, which included dictionary definitions, articles and excerpts from articles, government regulations, statistics, webpages, witness testimony, and promotional materials to make that determination.

In evaluating the evidence, the Board noted that cheese identified as “gruyere” is not limited to certain locations in France or Switzerland and is made in many locations including Germany, Austria, and the United States. Further, many major retailers in the United States, including Trader Joes, Costco, Wegmans, and Publix, sell cheese labeled as “gruyere.” Moreover, certain of the Opposers are engaged in the sale and importing of cheese labeled “gruyere” in the United States.

The Applicants argued that they have engaged in a letter writing campaign requesting various retailers to cease using the term “gruyere” in connection with labels for cheese not sourced in Switzerland or France. However, the Board noted that the while Applicants may have had some success with certain retailers, there is ample evidence that many retailers continue to sell non-Swiss and non-French cheese labeled as “gruyere” in the United States. Additionally, the fact that some retailers have changed their names or removed “gruyere” from marketing materials does not mean that “the public in the United States would not primarily understand ‘gruyere’ to refer to a type of cheese regardless of its country of origin or any particular certification standards.”

The Board next examined the media and internet interpretations of “gruyere” and found that the term “gruyere” is used to identify a category of cheese that can come from anywhere. The Board also noted that the FDA’s definition of “gruyere cheese” did not limit the cheese to a particular geographic source. As a result, the Board concluded that the relevant consuming public understands the term “gruyere” as a designation that primarily refers to a category within the genus of cheese that can come from anywhere in world. Therefore, the oppositions were sustained on the grounds of genericness. *International Dairy Foods Association v. Interprofession du Gruyère and Syndicat Interprofessionnel du Gruyère U.S. Dairy Export*, 2020 U.S.P.Q.2d 10892 (T.T.A.B. Aug. 5, 2020) (precedential). [FM]

TTAB Holds That Madrid Protocol-Based Applicant Lacked Intention To Use Mark In U.S. Commerce

Cándido Viñuales Taboada (“Taboada”) filed a U.S. trademark application under Section 66(a) of the Lanham Act (15 U.S.C. § 1141f(a)), as an extension of his International Registration pursuant to the Madrid Protocol, to register the mark NESPORT in connection with the following goods:

Preparations containing amino acids, vitamins, trace elements and minerals for human consumption, namely, nutritional and dietary supplements and vitamins; vitamin preparations; mineral food supplements; dietetic beverages, foodstuffs and substances for medical purposes, namely, dietary supplemental drinks in the nature of vitamin and mineral beverages, crackers and supplements; nutritional and dietetic supplements for medical purposes; preparations for pharmaceutical purposes for enhancing physical endurance, reflexes, attention span and physical capabilities; pharmaceutical products, preparations for medical and veterinary purposes for the treatment of fatigue; sanitary products for medical use, namely, sterilizing preparations; food for babies; food supplements for humans or animals; plasters and material for dressings for medical purposes; teeth filling and dental impression materials; disinfectants; preparations for destroying vermin; fungicides, herbicides; dietetic nutritional supplements made with flours, cereals, rice, tapioca and sago for human consumption; nutritional supplements made with flours, cereals, rice, tapioca and sago for human consumption, namely, supplements containing vitamins, minerals, trace elements and/or essential fatty acids; dietary nutritional supplements not for medical purposes made from plant extracts, in International Class 5.

Royal jelly for human consumption and for dietary purposes; energy bars made from cereals; energy bars made from cereals containing nutritional supplements; food preparations and meal substitutes, namely, energy bars not for medical use made with coffee, tea, cocoa, sugar, flours, cereals, rice, tapioca, sago, for stimulating muscle development; food supplements made from cereals; substances, supplements and extracts made from cereals for dieting, namely, processed cereals; savory ready-to-eat foods consisting in extruded corn; savory food preparations made of potato flour, namely, rolls; coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals, namely, cereal snack bars; bread, pastry and confectionery products, namely, cakes; edible ices; sugar, honey, golden syrup; yeast, baking powder; salt; mustard; vinegar, sauces; spices; ice, in International Class 30.

Energy drinks; isotonic beverages and sports drinks; aloe vera drinks and juices, beverages made from cola, fruit and vegetable juices, concentrated fruit juices and fruit nectars; syrups, fruit extracts and essences for preparing non-alcoholic beverages excluding essential oils; preparations in liquid, powder or concentrate form for making non-alcoholic beverages; soda waters, whey beverages; whey-based preparations for making beverages, soy-based beverages not being milk substitutes; preparations for making soy-based beverages not being milk substitutes; beers; mineral waters and other non-alcoholic cocktails; fruit-based beverages and fruit juices; syrups and other preparations for making colas, in International Class 32.

Société des Produits Nestlé S.A. ("Nestlé") opposed the application on the ground that Taboada, at the time of filing, lacked the required bona fide intention to use the mark in U.S. commerce in connection with the identified goods (other grounds were dropped prior to trial). Following a trial conducted, by stipulation of the parties, pursuant to the Board's accelerated case resolution procedure (ACR), the Board sustained Nestlé's opposition in a precedential decision. *Société des Produits Nestlé S.A. v. Taboada*, 2020 U.S.P.Q.2d 10893 (T.T.A.B. Aug. 5, 2020).

Nestlé sufficiently demonstrated its requisite standing to bring the opposition proceeding by introducing evidence of its trademark registrations for mark beginning with "NES...". This was held to be sufficient to establish that Nestlé had a direct commercial interest that was likely to be damaged by Taboada's registration. The parties also stipulated to Nestlé's standing. *Id.* at 8.

Citing its case precedents, the Board observed the

following rules of law governing the issue of whether an applicant had the required intention to use the subject mark in U.S. commerce at the time of filing:

- An opposer can establish a prima facie case of lack of intent by showing the absence of any documentary evidence of such an intent on the part of applicant, and an applicant can seek to rebut such a prima facie case by offering any other evidence concerning the factual circumstances bearing upon his intent to use his mark in commerce. *Id.* at *8 – 9.
- However, applicant's mere statement of subjective intention, without more, is insufficient to establish applicant's bona fide intention to use the mark in commerce. *Id.*
- Whether an applicant has a bona fide intent to use a mark in commerce is an objective inquiry based on the totality of the circumstances; and those circumstances must indicate the applicant's intent to use the mark that are "firm and demonstrable". *Id.* at *11.
- Among the circumstances that would indicate the absence on the requisite intent are the filing of an application identifying an excessive number of products, i.e. more products than the applicant is likely to introduce under the applied-for mark during the pendency of the application. *Id.* at *12.
- The Board can find a lack of a bona fide intent to use based upon the applicant's complete lack of documentary evidence or any other objective evidence that he can/will use the mark, lack of capacity or experience needed to manufacture or otherwise offer his identified goods vague allusions to using the mark through licensing or outsourcing, and failure to take any concrete actions or to develop any concrete plans for using the mark. *Id.*
- An applicant claiming an intention to use the mark will not fare any better if the record demonstrates nothing more than the mere filing of trademark applications and the registration of domain names without a concomitant showing of efforts

to actually use the mark. *Id.*

- On the other hand, an applicant's capacity to market and manufacture the identified goods consistent with the natural extension of its current product line can rebut the lack of documentary evidence. *Id.*
- Regarding the relevant time-frame, generally the strongest documentary proof will have been created prior to, or at the latest on, the filing date of the application that includes a claim of intent-to-use. However, in various cases documents created up to eleven months after the application filing date have been found relevant to, but not dispositive of, the applicant's intent at the time of filing, i.e. sufficiently contemporaneous to corroborate other evidence regarding the applicant's bona fide intent as of the application filing date. *Id.* at *12-13. In contrast, a long gap between the filing of an application and the activities asserted to demonstrate bona fide intent tends to undercut an inference that the applicant actually had a bona fide intent to use the mark. *Id.* at *13.

Applying these rules of law to the factual record in the present case, the Board concluded that Taboada lacked a bona fide intent to use. Taboada identified in his application a large and varied number of goods “as diverse as pharmaceuticals, sterilizing and disinfectant preparations, teeth filling and dental impression materials, vermin control products, herbicides, and an array of food and beverages.... [Taboada] submitted no proof that he had or has the capability, expertise or infrastructure, either directly or through licensees, to produce and distribute such a wide range of products.” Moreover, Taboada’s submissions regarding his work and educational experience were found to be “at best vague and undefined with respect to creating such a broad consumables business with the NESPORT mark.” *Id.*

Although Taboada filed his application in early 2016, his discovery responses in 2017 showed an absence of, *inter alia*, any of the following: advertising or promotional activities, licensees or authorized users of the NESPORT mark,

agreements or communications with potential manufacturers, distributors or suppliers for his NESPORT branded products, commitments from U.S. retailers to carry his products, materials demonstrating attempts to obtain regulatory approval for his products (e.g., his pharmaceutical and alcoholic beverage products), attendance at trade shows, or any designs for anticipated packaging or labeling. *Id.* at 13 – 14.

Moreover, Nestle’s investigations showed that, in the 2016 – 2017 period, Taboada lacked any significant social media presence in connection with the subject mark, and that Taboada’s various registered domain names based on “Nesport” were either inoperative or redirected to his Nesport.com site which, during this period, only contained a “Coming Soon” holder page. Taboada did not add content to the latter site until 2018, while the subject opposition was pending. Even then, this website consisted of no more than a landing page advertising the “NESPORT” brand and including listing product categories for some, but not all, of the product categories in Taboada’s application. *Id.* at *10 and 14.

Only in 2018, more than two years after the filing date, did Taboada appear to make any real effort to commercialize the NESPORT mark and products in commerce, with “a business plan, cost estimates to further his business, and mass e-mails to U.S. manufacturers and distributors.” Even aside from the temporal distance of these activities from the application’s filing date, Taboada’s business plan was found to be lacking in sufficient detail to demonstrate a bona fide intent. In particular, it lacked “any real details that would be included in a credible business plan, such as strategies to build a company operational structure, identification as to sources of ingredients, packaging and labeling for Applicant’s products, manufacturing and distribution capabilities, or a sales and marketing campaign — all of which Applicant does not plan to pursue until after securing his trademark registration.” *Id.* at *14.

Therefore, the Board sustained the opposition. *Société des Produits Nestlé S.A. v. Taboada*, 2020 U.S.P.Q.2d 10893 (T.T.A.B. Aug. 5, 2020) (precedential). [SG]

TTAB Holds “GUARANTEED RATE” To Be Highly Descriptive And Rejects Showing of Acquired Distinctiveness

Guaranteed Rate, Inc. (“GRI”) applied to register the marks “GUARANTEED RATE” in standard characters and the following word-and-design mark:



both in connection with various types of mortgage lending services in Class 36. The Examining Attorney refused registration of the marks in the involved applications under Section 2(e)(1) of the Trademark Act, 15 U.S.C. § 1052(e)(1), on the ground that the term GUARANTEED RATE is merely descriptive and must be disclaimed in the composite mark. In both applications, GRI submitted claims that “GUARANTEED RATE” has acquired distinctiveness as a mark in connection with GRI’s services under Section 2(f) (15 U.S.C. § 1052(f)). The Examining Attorney rejected the sufficiency of GRI’s Section 2(f) claim and the TTAB, in a precedential decision, affirmed that determination. *In re Guaranteed Rate, Inc.*, 2020 U.S.P.Q.2d 10869 (T.T.A.B. July 30, 2020).

The Board observed that in order to assess GRI’s burden in establishing acquired distinctiveness, it is necessary to determine the degree of descriptiveness of “GUARANTEED RATE”. The Board held that “GUARANTEED RATE” is highly descriptive of mortgage lending services based on the evidence of record, including numerous third-party descriptive uses of the term “guaranteed rate,” and similar terms such as “guaranteed mortgage rate,” and “guaranteed interest rate” to convey that a given mortgage rate will not change *Id.* at 3. The Board went on to hold that the term “guaranteed rate” rises to the level of being a key aspect of the services, which may indicate that a term is generic. Although the Examining Attorney did not make a genericness refusal, the Board considered the fact that there is potential evidence of genericness to support its finding that the term is highly descriptive. *Id.* at 3 and FN8.

In view of the determination that “GUARANTEED

RATE” is highly descriptive of mortgage lending services, the Board held that GRI “faces a proportionately higher burden to establish acquired distinctiveness.” *Id.* at 4. Given this high burden, the Board held that none of the categories of evidence submitted by GRI was sufficiently probative of acquired distinctiveness.

GRI showed that it had been using the mark continuously since 2000. Since 2007, GRI spent over \$140 million on advertising and promotion under the mark and, in the past 11 years, had sales under the mark of over \$3 billion. GRI has also received substantial unsolicited media coverage. While the Board noted that these figures are impressive, the Board was “not convinced that this evidence demonstrates consumer recognition of this highly descriptive wording as indicating a single source especially because of the extensive evidence of third-party use.” *Id.* at *6. The Board further held that “[t]he nature and number of third-party descriptive uses in the record undermines [GRI’s] attempt to obtain trademark rights...because it interferes with the relevant public’s perception of the designation as an indicator of a single source”. *Id.* at 7.

The Board noted that GRI did not submit a survey to support its claim of acquired distinctiveness and, while such a survey is not legally required, on the record as it stands in the subject proceeding, the evidence was not sufficient to convince the Board that “in the minds of the public, the primary significance of the term is to identify the source of the service rather than the service itself.” *Id.* at *8 (quoting *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 851 n.11, 214 USPQ 1, 4 n.11 (1982)).

GRI also based its claim of acquired distinctiveness on its ownership of two registrations on the Principal Register, one for GUARANTEED RATE AFFINITY in standard characters and one for GUARANTEED RATE AFFINITY and design, both for mortgage lending services and both registered with a claim of acquired distinctiveness-in-part under Section 2(f) of the Trademark Act as to “Guaranteed Rate.” However, the Board also found this evidence to be insufficient, for two reasons: (1) the term GUARANTEED RATE is so highly

descriptive that reliance on prior registrations insufficient, in and of itself, to demonstrate acquired distinctiveness, and (2) because GRI's prior marks have not been registered for five years, a competitor could challenge the registrations on the ground that GUARANTEED RATE is merely descriptive and has not acquired distinctiveness; for this reason, the Board did not consider its holding in the present case that GUARANTEED RATE has not acquired distinctiveness to be a collateral attack on the validity of those registrations. *Id.* at *9.

The Board therefore affirmed the Examining Attorney's refusal. *In re Guaranteed Rate, Inc.*, 2020 U.S.P.Q.2d 10869 (T.T.A.B. July 30, 2020) (precedential). [SG]

***In re MK Diamond Products, Inc.*, 2020 U.S.P.Q.2d 10882 (T.T.A.B. July 27, 2020)**

MK Diamond Products, Inc. ("Applicant") sought registration on the Principal Register of a proposed product configuration mark for "circular saw blades for power operated saws." The application described the mark as follows:

The mark consists of a configuration of a circular saw blade comprising the curved portion of a repeating slot design around the circumference of the goods. The portions of the blade shown in broken lines are intended solely to indicate the positioning of the mark and are not part of the mark.

The Examining Attorney issued final refusals to register on the ground that the mark is a functional design for the goods and, on the alternative ground, that the mark consists of a non-distinctive product design that has not acquired distinctiveness.

The Applicant originally sought registration of the mark in 2007 on the Supplemental Register. The 2007 Application was originally refused on the grounds of functionality and non-distinctiveness, but the functionality refusal was withdrawn and the mark was registered on the Supplemental Register in 2008.

At the outset, the Applicant argued that the Examining Attorney's refusal to register based on functionality was procedurally incorrect because the United States Patent and Trademark Office already determined that the previous version of

the mark was non-functional and permitted registration on the Supplemental Register in 2008. The Trademark Trial and Appeal Board ("Board") held that ownership of the mark on the Supplemental Register did not entitle the Applicant to automatic registration of the mark. Rather, the Board is required to decide each case on its own merits, and it is not bound by prior determinations made by an Examining Attorney.

The Board then addressed the question of whether the proposed mark was functional. The Board noted that the Lanham Act does not protect trade dress in a functional design and specifically prohibits registration of "a mark which . . . comprises any matter that, as a whole, is functional." A product design or product feature is functional if: "(1) it is essential to the use or purpose of the article," or (2) it affects the cost or quality of the article" (internal quotations omitted). In determining whether functionality exists, the Board examines the following categories of evidence:

(1) the existence of a utility patent disclosing the utilitarian advantages of the design; (2) advertising materials in which the originator of the design touts the design's utilitarian advantages; (3) facts indicating the availability to competitors of functionally equivalent designs; and (4) facts indicating that the design results in a comparatively simple or cheap method of manufacturing the product.

First, the Board addressed whether a utility patent existed. A utility patent is strong evidence that the features claimed in a mark are functional. Further, if an expired patent claimed the features in question, the Applicant has the heavy burden to establish trade dress protection by showing the feature is not functional - - that is, by showing it is merely ornamental or an arbitrary aspect of the device. Here, the Board pointed to four third-party utility patents and two utility patent applications as evidence of functionality.

The Applicant argued that the patent evidence was irrelevant because the cutouts shown in the drawings and images of the patents are not curved and therefore do not have any value in assessing whether the mark is functional. The Board disagreed with the Applicant and held that

the patents support a finding that the cut-outs are functional in providing one or more utilitarian benefits.

Additionally, numerous articles and examples of circular saw blades that show the proposed mark was functional were made part of the record. The Applicant did not contest any of this evidence except to argue that its blades were different. The Board, based on a review of the evidence, determined that the blades were similar and that the Applicant's cut-outs were functional because they caused the blades to work better or operate more efficiently than blades that do not have such cut-outs.

The Board, based on the totality of the record, concluded that the proposed mark is primarily functional because the overall appearance of the mark affects the quality of the saw blades and, as a whole, the blades shape makes the saw blade work better. Specifically, the Board stated that because "the Applicant's applied-for mark is dictated by the function it performs, we find that the configuration is essential to the use or purpose of the goods and as a whole is functional." As a result, the Board determined that there was no need to address the evidence submitted in the other categories (2 through 4) of the functionality test outlined above. However, the Board, for the sake completeness assessed the other categories as follows:

- Advertisements Touting Utilitarian Advantages of the Design - - The Board agreed that Applicant's advertisements did not connect the utilitarian advantages of the product with the design.
- Availability of Functionally Equivalent Designs - - The Board noted that apart from conclusory statements, the Applicant failed to provide any evidence demonstrating that similar products offer the same benefits as the Applicant's products.
- Simple or Inexpensive Method of Manufacture - - The Board found no evidence that the Applicant's mark results from a simple or inexpensive method of manufacturing.

Since the Board determined that the mark, as a whole, was functional and cannot function as a

trademark on the Principal or Supplemental Register, it would not be necessary to determine whether the Applicant's circular saw blade acquired distinctiveness. Even if the Applicant's submitted sufficient evidence of acquired distinctiveness, Applicant still would not be permitted to register a functional design.

However, in order to be thorough, the Board examined the Applicant's claim of distinctiveness and determined that Applicant failed to establish distinctiveness. In determining whether a mark is distinctive, the Board must consider whether the mark has acquired secondary meaning. The Board considers the following six factors in assessing secondary meaning:

(1) association of the trade dress with a particular source by actual purchasers (typically measured by customer surveys); (2) length, degree, and exclusivity of use; (3) amount and manner of advertising; (4) amount of sales and number of customers; (5) intentional copying; and (6) unsolicited media coverage of the product embodying the mark.

The Board reached the following conclusions with respect to certain of the six above described factors:

- Length, Degree, and Exclusivity of Use - - The Board determined that long and continuous use alone does not establish that a product feature has acquired distinctiveness and here, where the mark is highly descriptive, use for a period of approximately 14 years is insufficient to acquire distinctiveness.
- Amount and Manner of Advertising - - The Board determined that Applicant's advertisements did not demonstrate the promotion and recognition of the specific configuration embodied in the mark.
- Amount of Sales and Number of Customers - - The Board determined that the Applicant's sales failed to reflect public reaction to the mark as a source indicator of Applicant's circular saw blades.
- Association as a Source Identifier by Consumers - - The Board determined that the evidence submitted by the Applicant was not sufficient to show that

consumers of the Applicant's product associated the mark as identifying the Applicant's goods.

The Board concluded that the circular saw blade are highly non-distinctive in nature and the Applicant's evidence - - of its length of use, sales, advertising, and recognition, - - failed to demonstrate that the relevant purchasing public recognizes the primary significance of the curved-portion of its cut-outs as identifying the source of Applicant's product. Thus, registration was refused for the Applicant's mark. *In re MK Diamond Products, Inc.*, 2020 U.S.P.Q.2d 10882 (T.T.A.B. July 27, 2020) (precedential). [FM]

In re Stanley Brothers Social Enterprises, LLC., 2020 U.S.P.Q.2d 10658 (T.T.A.B. June 16, 2020)

Stanley Brothers Social Enterprises, LLC ("Applicant") sought registration of the standard character mark CW for "hemp oil extracts sold as an integral component of dietary and nutritional supplements." Applicant is a Colorado company that grows marijuana and has developed a strain of cannabis which is high in CBD content, and at the same time low in tetrahydrocannabinol ("THC") content (the content that is responsible for the "high" that users experience).

The Examining Attorney refused registration of the mark because the use of the Applicant's goods in commerce are per se unlawful since the goods are illegal under: (1) the Food, Drug & Cosmetics Act ("FDCA"); and (2) the Federal Controlled Substances Act ("CSA"), as the goods contain cannabidiol ("CBD"), which is labeled as a drug under the FDCA. The question presented to the Trademark Trial and Appeal Board ("Board") was whether Applicant's goods are legal under federal law. The answer to that question depends on the nature and intended uses of the goods.

In looking at the relevant federal statutes, the Board noted that under the CSA, marijuana is a Schedule I controlled substance and is illegal to "manufacture, distribute, or dispense." Further, a review of the Applicant's responses to the requests by the Examining Attorney shows that Applicant's goods fall under the definition of marijuana. However, under the Agricultural Act of 2014, Congress exempted "industrial hemp" from certain prohibitions under the CSA. Based

on the Applicant's responses, Applicant's goods fall under the definition of "industrial hemp" as that term is defined in the CSA.

After examining the evidence, the Board determined that the mark could not register because use of the goods at issue would be unlawful under federal law. The Board noted that use of a mark in connection with unlawful shipments is not a use of a mark in commerce that can be recognized by the Patent and Trademark Office. To qualify for federal registration, the use of the mark in commerce must be lawful. Further, in previous decisions the Board has refused to register marks connected to marijuana related products where the goods were illegal under the CSA. The applicable standard is that:

Registration generally will not be refused based on unlawful use in commerce unless either (1) a violation of federal law is indicated by the application record or other evidence . . . , or (2) when the applicant's application-relevant activities involve a per se violation of a federal law.

The FDCA prohibits "[t]he introduction or delivery for introduction into interstate commerce of any food to which has been added . . . a drug or biological product for which substantial clinical investigations have been instituted and for which the existence of such investigations has been made public" See 21 U.S.C. § 331(l). The Examining Attorney argued that Applicant's goods are food with CBD and that CBD was the subject of clinical investigations. The Applicant argues that: (1) the Agricultural Act of 2014's Industrial Hemp Provision exempts it from this portion of the FDCA; (2) its goods are not food, but rather are "dietary supplements"; and (3) CBD falls within an FDCA exception for drugs or biological products "marketed in food . . . before any substantial clinical investigations involving the drug or the biological product have been instituted."

The Board rejected the Applicant's arguments. First, the Applicant's argument that the Industrial Hemp Provision exempts it from this portion of the FDCA is misplaced because even if the CBC is derived from industrial hemp, the FDCA does not permit the distribution or sale of CBD in food

when CBD - - like it is here - - is the subject of clinical investigations. Second, Applicant's argument relating to dietary supplements was rejected because the Applicant's goods fall within the definition of food under the FDCA. Lastly, Applicant's argument that it falls within an FDCA exception is not supported by the evidence.

The Board concluded that the Examining Attorney established a per se violation of the FDCA and that the refusal to register was proper. *In re Stanley Brothers Social Enterprises, LLC*, 2020 U.S.P.Q.2d 10658 (T.T.A.B. June 16, 2020) (precedential). [FM]

MINUTES OF JULY 14, 2020
MEETING OF THE BOARD OF DIRECTORS OF THE
NEW YORK INTELLECTUAL PROPERTY LAW ASSOCIATION

The Board meeting was held via videoconference. President Colman Ragan called the meeting to order at approximately 4:00 p.m. In attendance were:

Abigail Langsam
Gene Lee
Heather Schneider
Robert Isackson
Marc J. Pensabene
Colman Ragan
Kathleen McCarthy
John T. Moehringer
Jonathan Berschadsky
Diana Santos
Patrice Jean
Paul Bondor
Robert Rando
Cheryl Wang

Feikje van Rein attended from the Association's executive office. John Mancini was unable to attend.

The meeting was called to order by President Colman Ragan. The Board approved the minutes of the prior meeting. Motion to waive reading of minutes was approved.

Abigail Langsam provided an update on finances. Membership has increased from last meeting though still not at 2019 levels. No new issues. The Board discussed monthly expenses and there was general agreement that the \$5,000 monthly fee for ACP's services is necessary, particularly with the amount of patent issues this year. It was confirmed that Hilton will apply the deposit amount for the Judge's Dinner to 2021, without commitment to 2023. Abigail reported that there were 9 new members for this session, including a few associate members. The Board approved a motion to waive reading of the names and admitted the new members.

Colman Ragan presented the membership proposal. The Board discussed the two proposal options presented and feasibility of supplemental incentives. Feikje noted that the options provided were found most compatible with the structure of our membership database. A motion to approve the 2nd proposal was made, which the Board approved. The Board members agreed that advertising for the membership offer should highlight the benefits included, such as the content, CLEs and opportunities provided.

Amicus Brief Committee Rob Isackson reported that in both the Booking.com trademark and trademark fees cases, the Supreme Court ruling was consistent with ABC's briefs. In the *Arthrex* case, no conflicts were ultimately found. The Committee is preparing an amicus brief in support of the US's cert petition arguing that APJs are inferior officers and therefore constitutional. *Arthrex* is an important matter affecting resolution of 100 pending cases. The ABC is likely to receive a proposal on *Polaris vs. Kingston* which is a parallel case. Other cases that ABC is considering include *Artic Cat*, which is pending court's decision to grant certiorari and the committee continues to watch the *Chamberlain Group* and the *Association for Accessible Medicine* cases.

The Board discussed the scope and purpose of the Conflict of Interest policy and Section 5(f) in particular. Colman Ragan reminded the Board members of the importance of distinguishing between ethical conflicts and business decisions in determining whether a conflict exists.

Legislative Action Committee Colman Ragan reported that the IP glossary PhRMA was circulated to some biopharmaceutical trade associations. Though no responses have been received yet, it is good publicity and encourages discussion in the industry. The Board discussed whether to send it over to

ACG and decided that LAC will provide a list of suitable recipients for the Board to review. Colman noted the unlikelihood that much else will happen between now and election aside from what is on the horizon at state level.

Privacy Committee Diana Santos reported that the Privacy Whitepaper draft will be circulated tomorrow for the Board members to review. The whitepaper addresses data security, cybersecurity and privacy issues pertaining to online distance learning. It provides a good overview of the various laws implicated by online educational tools. As states are adopting distance learning programs, this whitepaper can provide valuable guidance.

Hatch Waxman Program Colman reported that NJ passed on the proposed program for the time being. Rob Isackson will reach out to Delaware Chief Judge Stark where the smaller bench may make time for this.

Judges' Dinner 2020 & 2021 The earliest date for Hilton Midtown is September 2020. Colman noted that it is not worth discussing yet since things are dynamic and changing day to day. The Board discussed the possibility of holding something smaller, perhaps outdoor, if permitted under social distancing guidelines. Members agreed that it is necessary to consider whether some portion will be held remotely, as well as NYIPLA's 1-day CLEs and other in-person meetings scheduled for Fall 2020. Patrice Jean raised the potential option of hosting a fundraiser in lieu of the Judge's Dinner. Jonathan Berschadsky agreed to check for suitable outdoor venues. Board members volunteered to brainstorm ideas for fun events to replace the Judge's Dinner.

Programs Heather Schneider and Marc Pensabene reported that the July 8th Federal Circuit Rules of Practice Amendments program went well. Heather reported that 61 people attended the discussion with Judge Koh. Diana Santos reported that the July 22nd privacy panel has 25 people already registered. July 23rd program for Hot Topics in IP law will include key trademark law developments and cover what an IP practitioner should know about tax law with ethics credit provided. Ted Davis and Kathleen McCarthy noted that over 60 people signed up and most were non-members. Kathleen reported that July 30th the Hot Topics in IP law webinar will cover pandemic related issues with trademark license agreements and force majeure issues for retail stores. She noted there will be a counterfeiting panel though no exact date has been set yet and later in August there will be a Supreme Court roundup. Heather Schneider noted that she has at least two speakers signed up for the Mediation / ADR panel. Heather and Patrice reported on the various ideas discussed for the diversity program.

The Board discussed ways to foster diversity in the IP community, such as partnering with high schools & Board of Education to foster more diverse students in STEM. The Board members discussed and generally approved having a bootcamp with certification. The core curriculum will include copyright and trademark litigation headed by Kathleen McCarthy, and patent headed up by Colman and Heather. The Board will think about core modules and curriculum to include. More advanced modules can be added over time.

Jonathan Berschadsky left the meeting at 5:37 p.m. The meeting was adjourned at approximately 5:51 p.m.

MINUTES OF SEPTEMBER 15, 2020
MEETING OF THE BOARD OF DIRECTORS OF THE
NEW YORK INTELLECTUAL PROPERTY LAW ASSOCIATION

The Board meeting was held via videoconference. President Colman Ragan called the meeting to order at approximately 4:00 p.m. In attendance were:

Abigail Langsam
Colman Ragan
John Mancini (left at 6:45 pm)
Rob Isackson
Kathleen McCarthy
Stephanie Crocenza
Gene Lee (left at 4:55 pm)
Rob Rando
Paul Bondor
Heather Schneider
Patrice Jean (joined at 4:22 pm)
John Moehringer
Marc Pensabene
Jonathan Bershadsky
Alicia Russo (left at 5:10 pm)
Frank Lou
Satty & Partners

Feikje van Rein attended from the Association's executive office. Diana Santos was unable to attend.

The meeting was called to order by President Colman Ragan.

Audit Report Satty & Partners presented the audit report, noting that the books and records were clean with no issues. The report noted that with the pandemic impact as it stands, it looks like there will be a loss for 2021. It is not clear how significant of a loss but many non-profit organizations are in a similar position.

The board members discussed the program ideas for fundraising e.g., NYIPLA bootcamp and paid segments of President's Forum., that is being put together to generate money in lieu of the Judge's Dinner. Motion to approve financial report was passed.

The Board approved the minutes of the prior meeting. Motion to waive reading of minutes was approved.

Connor Writing Competition Gene Lee provided an update on the Conner Writing Competition. The committee members have proposed increasing applicants by raising 1st prize to \$2,500. The Board discussed the impact of this proposal in light of its current financial situation. Members agreed to table the decision until the board receives additional ideas for getting more applications.

Financial Report Abigail Langsam provided the financial report. She discussed the numbers around various fundraising initiatives the board has been exploring, such as webinar pricing for members vs. non-members and the various programs that can be charged separately from membership, such as the IP boot camp, 1 day CLE, etc.

The board discussed rolling out pricing discount again and bulk membership. Members also discussed various ways to get sponsorship for some of the events, such as through vendors like Zoom, or services for virtual depositions, all of which have become necessary during the pandemic. Volunteers Rob, John, Mancini and Alicia will take a look at sponsorship potentials for the one day patent CLE. Feike will circulate sponsorship plan terms for board members to review.

Paul Bondor mentioned considering the idea of putting the organization in “hibernation” until we can have a proper Judge’s Dinner. Colman Ragan discussed another option of potentially merging with NJ/CT IPLAs. The Board discussed considering the hibernation mode option in 6 months. The members discussed whether charging for the 1-day patent CLE and other seminars would be appropriate. Judge Prost will be keynote speaker. The board considered charging separately for each session. The board will review schedule & pricing proposals.

New Members Abigail provided the new members report. There were 7 new members: 2 students, 3 active 3+. Currently at 576 members compared with 886 members last year at this time. Motions to waive reading of new members names and to admit were passed.

Amicus Briefs Committee Rob Isackson reported that the ABC talked about VIP Products vs. Jack Daniels. The committee reached out to the trademark committee and decided not to submit at this stage. If cert is granted, the ABC will then decide whether to file a brief. In the Cisco case, ABC decide that if the petition for rehearing en banc or cert, then the committee will consider weighing in on the merits. No pending matters for the board or briefs to recommend. In a few months, we may find out if cert is granted in Arthrex.

ABC is still monitoring Glaxxo vs. Teva and will consider filing a brief if a petition for rehearing en banc is filed. ABC is also still monitoring the CA assembly bill on anti-competitive presumption and waiting on 9th circuit or petition for cert to be filed. Rob noted that not all responses for conflict of interest checks have been received for HCMP vs. Octavis.

Legislative Action Committee Colman Ragan reported that the committee is helping with the President’s Forum events, including one on CA pending patent legislation & its federal parallel. However, everything is in a holding pen right now due to election season. LAC is considering getting a legislative director from NY to hold a forum to hear IP goals for next Congress.

Judge’s Dinner Colman noted that based on recent news, it is not likely that any type of event can be held in person. The Board discussed various event ideas to replace the event. Members generally agreed on holding a series of webinars to provide access to network with judges and as a buildup to a judge’s dinner virtual happy hour event. The board agreed that having a Supreme Court justice as a keynote speaker would be a great way to have the first virtual Judge’s Dinner.

Programs October Careers in IP Law which Marc Pensabene is putting together which will a program at Hofstra with 2 corporate speakers. The biosimilars event will be co-sponsored again between the Women in IP law committee and Patent Litigation Committee. There will be lots of Co-VID related issues covered.

The meeting was adjourned at 5:41 p.m.

MOVING UP & MOVING ON



ALFRED FABRICANT, PETER LAMBRIANAKOS, JOSEPH MERCADANTE, VINCENT RUBINO

Formerly of Brown Rudnick LLP, have formed their own firm, Fabricant LLP, with an office in New York. The firm will continue doing patent, copyright, trademark, unfair competition, and other commercial litigation matters.



YUNG-HOON (SAM) HA

Formerly of WilmerHale, has joined Desmarais LLP as a Partner.



ALLISON STILLMAN

Formerly of Mayer Brown LLP, has joined Latham & Watkins LLP as a Partner.



JOSHUA WHITEHILL

Formerly of Goodwin Procter LLP, has joined Kasowitz Benson Torres LLP as Special Counsel.

UPCOMING WEBINARS

www.nyipla.org

OCTOBER

10/06/2020	Report on Facebook v. Windy City and its Impact on PTAB Practice
10/13/2020	Diverse Careers in Intellectual Property Law
10/21/2020	NYIPLA Presidents' Forum

NOVEMBER

11/10/2020 - 11/19/2020	Fall Patent CLE Series - Keynote Speaker: Honorable Sharon Prost
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DECEMBER

12/03/2020	NYIPLEF 2020 Virtual Wine and Food Event
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WELCOME NEW MEMBERS

Last	First	Firm/Company/Law School	State	Membership
Alexander	Epiphany	Touro College Jacob D. Fuchsberg Law Center	New York	Student
Baker	William	Baker ADR	New York	Active 3+
Berman	Jacob	Paul, Weiss, Rifkind, Wharton & Garrison LLP	New York	Active 3-
Copperman	Cecilia	Paul, Weiss, Rifkind, Wharton & Garrison LLP	New York	Active 3-
Dutra	Fernando	Wilson Dutra	Florida	Affiliate
Geirhofer	Stefan	Paul, Weiss, Rifkind, Wharton & Garrison LLP	District of Columbia	Associate
Gupta	Saurabh	Paul, Weiss, Rifkind, Wharton & Garrison LLP	District of Columbia	Associate
Hellreich	Jaclyn	Cadwalader, Wickersham & Taft LLP	New York	Active 3+
Ludwig	David	Dunlap Bennett & Ludwig PLLC	Virginia	Associate
Manno	Tanya	Paul, Weiss, Rifkind, Wharton & Garrison LLP	District of Columbia	Associate
Miller	Scott	Paul, Weiss, Rifkind, Wharton & Garrison LLP	New York	Active 3-
Miller	Lindsey	Desmarais LLP	New York	Active 3+
Molina	Syndie	Touro College Jacob D. Fuchsberg Law Center	New York	Student
Parsons	Abby	King & Spalding LLP	Texas	Affiliate
Simantov	Amanda	Seattle University School of Law	Washington	Student
Zhang	Kevin	Paul, Weiss, Rifkind, Wharton & Garrison LLP	New York	Active 3-



ABOUT US

The New York Intellectual Property Law Association (NYIPLA) serves as a vehicle to promote the development and administration of intellectual property interests. NYIPLA strives to educate the public and members of the bar in this particular field and continually works with foreign associations to harmonize the substance and interpretation of international conventions for the protection of intellectual property.

THE INVENTOR OF THE YEAR AWARD

Each year, NYIPLA presents the Inventor of the Year Award to pay tribute to an individual or group of individuals who, through their inventive talents, have made worthy contributions to society by promoting the progress of Science and useful Arts. We encourage you to nominate one or more candidates. The Inventor of the Year Award enables NYIPLA to extend recognition to deserving innovators and inventors, and promote the practice of intellectual property law. This year's award will include a monetary award of \$5,000.00 to the winner and recognition at the Association's Annual Meeting.

Link: <https://www.nyipla.org/nyipla/InventoroftheYearAward.asp>

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