

**UNITED STATES
PATENT AND TRADEMARK OFFICE**



Update from the Trademark Trial and Appeal Board (TTAB)

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Trademark Trial and Appeal Board

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Introduction: Jurisdiction of the Board

- Administrative tribunal under the Trademark Act of 1946 (Lanham Act)
- We determine trademark REGISTRATION ONLY
- NOT:
 - Trademark infringement
 - Copyright infringement
 - Unfair competition



Board personnel

- Administrative Trademark Judges (24)
- Interlocutory Attorneys (19)
- Paralegals (10)
- Management, admin and support staff

Types of proceedings

- Appeal: Appeal from trademark examining attorney's refusal to register
- Opposition: Challenge by any party believing it would be damaged by registration of pending application
- Cancellation: Challenge by any party believing it would be damaged by existing registration
- Concurrent Use: Request for a geographically limited registration

U.S. counsel rule – for all TTAB cases

- “An applicant, registrant, or party to a proceeding whose domicile is not located within the United States or its territories must be represented by an attorney” who is admitted before a state or district of the U.S.
 - Effective August 2019
- This applies to parties before the TTAB. *Cloudworks Consulting v. Ongoing Operations*, 2020 USPQ2d 10019 (TTAB 2020).

Oral hearings

- Oral hearing before a three-judge panel
- Post trial and post brief hearing
- Oral arguments only – NO evidence
- Available in appeal and trial cases
 - About 10% of appeal cases involve hearings
 - About 25% of trial cases involve hearings
 - January 2, 2021: new \$500 fee for requesting oral hearing

Appeals from TTAB decisions

- Two options:
 - Federal Circuit – appeal on TTAB record
 - U.S. District Court – new trial
 - USPTO attorney fees no longer awarded in appeals of ex parte decisions to district court
 - Further appeal to regional Circuit Courts of Appeal
- U.S. Supreme Court
 - Discretionary review – rarely granted

The new TTAB Reading Room

- TTAB Reading Room replaced e-FOIA webpage on August 1, 2020.
- Search final decisions and precedential decisions/orders.
- Search by date, issue involved, other criteria, or by text.
- URL: <https://e-foia.uspto.gov/Foia/TTABReadingRoom.jsp>
- Provide feedback via TTABFeedback@uspto.gov (suggestions will be considered for future releases).

Pretrial conference pilot

- Survey taken of TTAB attorneys and judges on goals, processes
- If deployed, would focus on cases with indications they are likely to create large or unwieldy records
- Would focus parties' approach to trial and consideration of stipulations

TMA 2020: TTAB impact

- New ex-parte expungement and re-examination proceedings created
 - Not handled by TTAB
 - But decisions will be appealable by registrant to the TTAB
- TTAB decisions on such appeals may be appealed to the Federal Circuit, but not to district courts
- New expungement claim in TTAB cancellation actions
- Decisions by the Director on whether to institute an expungement or re-examination proceeding are final and not reviewable at TTAB

Sample TTAB decisions

Sample appeal decision - 15 U.S.C. § 1052(c)

OBAMA PAJAMA

for pajamas:



- Board held: Refusal affirmed under Section 2(c) of the Trademark Act, which prevents registration of a mark that identifies “a particular living individual except by his written consent.” 15 U.S.C. § 1052(c).
- *In re Hoefflin*, 97 USPQ2d 1174 (TTAB 2010).

Sample appeal decision - Generic

- A generic term names a category of goods or services.
- Generic terms are free for all to use.
- So when an applicant applied to register this mark for medical treatment of allergies, the Board found that the words "**ALLERGY CARE**" were generic.



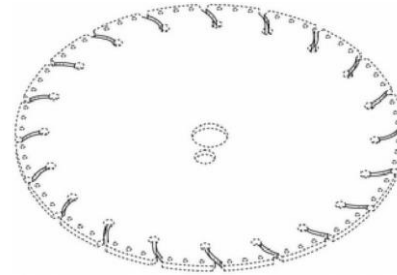
Applicant was required to disclaim the words "**ALLERGY CARE**", and was allowed place the applied-for mark on the Supplemental Register, as its design was capable of becoming distinctive.

In re Haden, 2019 USPQ2d 467424 (TTAB 2019).

Sample appeal decision - 15 U.S.C. §1052(e)(5)

- Applicant applied to register a circular saw blade design as its trademark

for circular saw blades:



- 1052(e)(5) – cannot register a functional design

The Board agreed with the examining attorney: the slot design on the periphery of the blade helped it cut better. Its function dictated its design.

So the refusal to register was affirmed. *In re MK Diamond Products*, 2020 USPQ2d 10882 (TTAB 2020).

Appeal decisions - Failure to function as a trademark

- Matter that does not indicate the source or origin of the goods or services and distinguish them from those of others does not meet the statutory definition of a trademark and may not be registered.

15 U.S.C. § 1127.

- “.CAM” is a new generic top-level domain, short for “camera.”
- Board: “It also is clear from applicant’s website that .CAM is intended to be used by multiple parties as part of their domain names to identify multiple websites offering multiple goods and services.”
- So it failed to function as a mark for most goods and services.

In re AC Webconnecting, 2020 USPQ2d 11048 (TTAB 2020).

Team Jesus

2020 USPQ2d 11489

- For clothing and religious educational/entertainment services
- Evidence of common use by third parties
 - Over 20 examples cited in decision
 - Single results page from Google shopping search showed 20 uses, none by Applicant
- Board emphasized importance of consumer perception
- “The evidence as a whole shows that TEAM JESUS is a commonplace message of Christian affiliation.”

Texas Love

2020 USPQ2d 11290

- For “hats, shirts”
- Evidence of use by others
 - 8 examples of uses on shirts
 - 3 examples of other uses
- Some uses involved designs + words
 - The message is what matters
- “TEXAS LOVE is too commonly used in connection with a wide variety of goods that typically carry such messages for it to be perceived as a trademark, and Applicant should not be able to deny potential competitors (who according to the record also use the phrase) the right to use it freely.”

God Bless the USA

2020 USPQ2d 11439

- Lee Greenwood application – for home goods (pillows, wall art, etc.)
- Evidence showed many uses of same phrase on the goods
 - 12 examples provided in decision
 - More in the record
- “Consumers ordinarily take widely-used, commonplace messages at their ordinary meaning, and not as source indicators, absent evidence to the contrary.”
- Applicant focused on reaction of Lee Greenwood fans
 - Application contained no limits in the identification of goods
 - “The relevant consumers are members of the general public”
 - Applicant has registrations for Lee Greenwood Collection

PAST PRESENT FUTURE

2020 USPQ2d 11298

- For “t-shirts”
- Guess what? Ample evidence of use by others
 - Seven general examples
 - Wikipedia page showing phrase in title of 2 books, 12 albums and 13 songs
 - Nine samples of third party t-shirts bearing the phrase
- “ubiquitous third-party use of the phrase PAST PRESENT FUTURE to refer to the past, present and future of people, things, ideas and concepts”
- “PAST PRESENT FUTURE is not perceived as a mark when used in connection with t-shirts”

Why the Failure to Function Refusals?

- Trademarks are defined by their function
 - A trademark must “identify and distinguish” – 15 U.S.C. § 1127
 - A word or phrase that does not “identify and distinguish” does not function as a mark
- Consumer perception is the key
 - Our perceptions and memories are shaped by exposure
 - Exposure to widespread use of a word or phrase by many parties makes it unlikely the word or phrase will “identify and distinguish” a single party from all others
- Protection would harm third parties
 - Trademarks are protected to enhance competition, not to hinder it

Failure to Function – Why the questions and comments?

- Relies on combination of statutory sections
- Overlaps with Section 2(e)(1) – merely descriptive
- Acquired distinctiveness and Supplemental Register are not available
- Consistency is a challenge

Ownership compared to intent

- Claim in a use-based application (lack of ownership)
- But no rights to “own” in an intent-to-use application
- So the proper claim is lack of bona fide intent to use
 - *Am. Forests v. Sanders*, 54 USPQ2d 1860, 1986 (TTAB 1999) (ITU application filed by an individual void, because a partnership (not the individual) intended to use the mark)
 - *Norris v. PAVE* 2019 USPQ2d 370880 (TTAB 2019) (lack of ownership claim is not applicable to a Section 1(b) application)
 - *Hole In 1 Drinks, Inc. v. Michael Laijtay* 2020 USPQ2d 10020 (TTAB 2020) (ownership claim was mispleaded, but lack of BFITU claim was tried by consent)
 - Be careful in deciding what to plead

Dilution: 15 U.S.C. § 1125(c)

- Protects famous marks “widely recognized by the general consuming public” against dilution, impairing their distinctiveness.
 - Board only – not considered in examination
- Broad protection across all International Classes of goods and services.
- Applicants applied for **JUST DREW IT** for athletic clothing.
- NIKE opposed based on **JUST DO IT** for clothing and other items.
- Board: **JUST DO IT** is a household name.
 - Enjoys the highest level of fame.
 - Became famous long before applicants applied for their mark.
 - Opposition sustained; registration refused.
- *Nike v. Caldwell*, 2020 Westlaw 3027610 (TTAB 2020).

Pretrial practice precedent

- *Fifth Generation Inc. v. Titomirov Vodka LLC* – 2019 USPQ2d 418666 – discovery misconduct
 - “these actions show a course and pattern of delay that evidence willful evasion of Titomirov's discovery obligations”
 - Lesser sanctions were not effective
 - Final judgment entered as a sanction
- We take our rules seriously

Other pretrial precedents

- *Flanders v. DiMarzio, Inc.*, 2020 USPQ2d 10671 – trade dress case involving appearance of electric guitar pickups
 - Rule 30(b)(6) deposition dispute
 - Individual's residence not controlling
- *Cloudworks Consulting Svcs., Inc. v. Ongoing Operations, LLC*, 2020 USPQ2d 10019
 - U.S. Counsel Rule applies to Canadian parties

TTAB performance

New case filings – cumulative increases FY17-FY19

- Ex parte appeals Up 6.8%
- Extensions to oppose Up 7.6%
- Oppositions Up 18.3%
- Petitions to cancel Up 31.3%

Moderating filings in FY20

- Ex parte appeals (3,487) +4.6%
- Extensions to oppose (18,893) -7.8%
- Oppositions (6,712) -3.5%
- Petitions to cancel (2,501) +3.1%

Year to date declines in FY21

- Ex parte appeals (2,685) +2.7%
- Extensions to oppose (12,864) -9.2%
- Oppositions (4,858) -3.5%
- Petitions to cancel (1,833) -2.3%

Trends in cases maturing to RFD

- Appeals and trials becoming RFD declined slightly in FY17 (-1.2%) and in FY18 (-4.3%)
- Trial cases as percentage of all cases RFD increased in FY18 (27.2%) and FY19 (30.9%)
- Total cases RFD in FY19 +14.5% over FY18
- FY20 stabilized: total cases RFD -8.5% and trial cases as percentage at 23.2%
- FY21 – small decline overall

Pendency goals met YTD in FY21

- Motion decision pendency at 9.7 weeks
- Appeal decision pendency at 7.7 weeks
- Trial decision pendency at 9.3 weeks
- Possible pendency increases from TM application surge

TTAB fee changes

Fee increases as of January 2

- Petition to cancel, notice of opposition increased by \$200 per class
- Appeal increased by \$25 per class
- Extension of time to oppose
 - increased by \$100 per application for initial 90-day extension or second extension for 60 days
 - increased \$200 per application for final 60-day extension (still no fee for initial 30-day extension)



New TTAB fees as of January 2

- Second or any subsequent extension to file appeal brief—\$100 per application
- Appeal brief—\$200 per class
- Request for oral hearing—\$500 per proceeding

COVID-19 prioritized review

Priority handling of applications

- For applications involved in COVID-19 prioritized examination in Trademarks
- Expedited review of any ex parte appeals
- Interlocutory attorney participation in discovery conference for oppositions
- Board monitoring these applications, but parties may call to ensure priority review

